NOTICE

NOTICE IS HEREBY GIVEN THAT THE TWENTY SIXTH ANNUAL GENERAL MEETING OF THE MEMBERS OF XANDER FINANCE PRIVATE LIMITED WILL BE HELD ON THURSDAY, SETEPMBER 15, 2022 AT 10.30 A.M. (IST) THROUGH VIDEO CONFERENCING/AUDIO-VISUAL ELECTRONIC COMMUNICATION MEANS ("VC/AVEC"), TO TRANSACT THE FOLLOWING BUSINESSES:

ORDINARY BUSINESS:

1. To receive, consider and adopt:

   a) the audited standalone financial statements of the Company for the financial year ended March 31, 2022 together with the Reports of the Board of Directors and the Auditors thereon; and

   b) the audited consolidated financial statements of the Company for the financial year ended March 31, 2022 together with the Report of the Auditors thereon.

2. To approve the appointment of M/s. Ravi Rajan & Co. LLP, Chartered Accountants, (ICAI Firm Registration No: 009073N/N500320) as the statutory auditors of the Company and to fix their remuneration:

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

   "**RESOLVED THAT** pursuant to section 139, 141 and other applicable provisions of the Companies Act, 2013 and the rules thereunder (including any statutory modifications and re-enactment, if any thereof for the time being in force) read with the Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) dated April 27, 2021 issued by the Reserve Bank of India and pursuant to the recommendation of the Audit Committee and the Board of Directors, M/s. Ravi Rajan & Co. LLP, Chartered Accountants (ICAI Firm Registration No: 009073N/N500320), be and are hereby appointed as the Statutory Auditors of the Company for a further period of two years and they shall hold office commencing from the conclusion of the Twenty Sixth Annual General Meeting till the conclusion of the Twenty Eighth Annual General Meeting to be held for the financial year 2023-24, on such remuneration as may be decided by the Board of Directors in consultation with the proposed Statutory Auditors of the Company and reimbursement of actual out of pocket expenses, to audit the accounts of the Company.

   RESOLVED FURTHER THAT any of the Board of Directors or Key Managerial Personnel or Company Secretary of the Company, be and is, hereby empowered and authorised to take such steps, in relation to the above and to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution, to file necessary E-Forms with Registrar of Companies, Mumbai and to intimate Reserve Bank of India, Bombay Stock Exchange and other regulatory/statutory authorities (if any)."

By order of the Board of Directors
Xander Finance Private Limited

Sd/-

Hinal Shah
Company Secretary
ICSI Membership No:ACS-41256

Date: September 09, 2022
Place: Mumbai

Notes:

1. Due to outbreak of COVID-19 pandemic, the Ministry Of Corporate Affairs ("MCA") has vide its General Circular No. 14/2020 dated April 08, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 05, 2020, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 19/2021 dated December 08, 2021, General Circular No. 21/2021 dated December 14, 2021 and other applicable circulars, has permitted to hold the Annual General Meeting ('AGM') of Members of the Company through Video Conferencing ("VC") / Audio-Visual Electronic Communication means ("AVEC") without the presence of the Members at a common venue. In due compliance with the above MCA Circulars, the Twenty Sixth AGM of the Company is convened through VC/AVEC.

2. The Members are requested to follow the below instructions: -

   a) Participation:

      i. Pursuant to the aforementioned general circulars, the physical presence of the Members has been dispensed with and therefore the appointment of Proxy(ies) is/are not permitted. However, in pursuance of Section 112 and 113 of the Companies Act, 2013 ("the Act"), Members may appoint representatives for the purpose of participation and voting in the meeting. The Corporate Members proposing to participate at the meeting through their representative(s), will be required to forward the necessary authorization under Section 113 of the Act and such representation to the Company should be communicated by sending an e-mail to Ms. Hinal Shah, Company Secretary at hinal_shah@xanderfinance.com before the commencement of the Meeting.

      ii. Members participating through the VC/AVEC facility shall be reckoned for the purpose of quorum under Section 103 of the Companies Act, 2013.

      iii. The Meeting of the Members will be held through VC/AVEC as per MCA circulars. The Members are requested to use the Dial-in details as mentioned below to join the Meeting:

Weblink	https://us06web.zoom.us/j/84854452717?pwd=L2UwZkUxUmNoSU13cWFXTk5DbUY1dz09
Meeting ID	848 5445 2717
Password	108335

3. For ease of participation of the Members, during the Meeting, Members (including their representatives) may post questions through typing in the "comment box"/ "chat box" in the above Dial-in. The Members may also, submit any questions they may have through e-mail at hinal_shah@xanderfinance.com before the commencement of the Meeting.

4. On the date of the Meeting, the Members, Directors, Key Managerial Personnel and all other persons authorized to attend the meeting, may join, using above the Dial-in details from 10:15 a.m. (IST) to 10:45 a.m. (IST) post which, no person shall be able to join the meeting.

5. In case, any member requires assistance for using the aforementioned Dial-in before or during the Meeting, you may reach out to Ms. Hinal Shah, Company Secretary at hinal_shah@xanderfinance.com.

6. Voting:
   a. In case a poll is demanded, Chairman shall follow the procedure provided in Section 109 of the Act, and Rules made thereunder, in all other cases matter will be put to vote by way of a show of hands.

   b. On demand of the poll, the Members may vote by sending an e-mail on the designated E-mail ID: hinal_shah@xanderfinance.com stating their assent/ dissent.

Please note that the e-mail with the vote of a member should be sent only from the registered Email ID of the member.

7. Other instructions/ information:

a. Members are requested to address all communications through their registered E-mail ID only.

b. The recorded transcript shall be maintained in safe custody of the Company.

c. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Act read with Rules made thereunder, authorizations for voting by body corporates and the Articles of Association of the Company will be available for inspection by the Members through electronic mode. Also, the documents referred to in this Notice are available electronically for inspection without any fee by the Members from the date of circulation of this Notice up to the date of the Annual General Meeting. Members seeking to inspect such registers/ documents can send an email to hinal_shah@xanderfinance.com.

d. The Audited Financial Statements (standalone & consolidated) of the Company for the Financial Year ended on March 31, 2022, the Reports of the Board of Directors and Auditors thereon shall be sent to the Members and to all other persons so entitled on their email IDs registered with the Company/ Registrar and Transfer Agents or with the Depository Participant(s).

e. Members who hold shares in physical form and have not registered / updated their Email addresses with the Company, are requested to register / update the same by writing to the Company at hinal_shah@xanderfinance.com stating details of folio number and attaching a self attested copy of PAN card.

f. Members holding shares in dematerialised mode, who have not registered / updated their email addresses with their Depository Participants, are requested to register / update their email addresses with the Depository Participants with whom they maintain their demat accounts.

g. Members who need assistance before or during the AGM, can contact Ms. Hinal Shah, Company Secretary at 022-61196010 or email her at hinal_shah@xanderfinance.com.

TWENTY-SIXTH ANNUAL REPORT
FINANCIAL YEAR: 2021-22

XANDER FINANCE PRIVATE LIMITED ('THE COMPANY')
(CIN: U65921MH1997PTC258670)

BOARD OF DIRECTORS
Mr. Rohan Sikri
Mr. Rohit Khandelwal*
Mr. Rajesh Kumar Jogi
Mr. Tariq Chinoy
Mr. Varun Gopinath
**(resigned w.e.f July 13, 2021)*

FINANCING RELATIONSHIPS
Bank of Maharashtra
Punjab National Bank

KEY MANAGERIAL PERSONNEL
Ms. Priyanka Khanna
Mr. Srinivasan J
Ms. Hinal Shah

COMPANY SECRETARY & COMPLIANCE OFFICER
Ms. Hinal Shah

DESIGNATED DIRECTOR
Mr. Rajesh Jogi

PRINCIPAL OFFICER
Mr. Ravi Shankar

STATUTORY AUDITOR
M/s. Ravi Rajan & Co. LLP, Chartered Accountants

INTERNAL AUDITORS
M/s. Aneja Associates, Chartered Accountants

SECRETARIAL AUDITOR
M/s. RJSY & Associates, Company Secretaries

REGISTERED AND CORPORATE OFFICE
101, 5 North Avenue, Maker Maxity,
Bandra Kurla Complex, Bandra East,
Mumbai – 400051
Tel No.: 022-61196010
Fax No.: 022-61196080
Email: info@xanderfinance.com

BRANCH OFFICES
New Delhi
Bengaluru
Chennai

SECURITY & DEBENTURE TRUSTEES
Catalyst Trusteeship Limited
Windsor, 6th Floor, Office No. 604,
C. S. T. Road, Kalina, Santacruz (East),
Mumbai – 400098
Tel. No.: 022-49220555
Email: dt.mumbai@ctltrustee.com

REGISTRAR & TRANSFER AGENT
Link Intime India Private Limited
C 101, 247 Park, LBS Marg,
Vikhroli (West),
Mumbai – 400 083.
Tel. No.: 022-49186270
Fax. No.:022-49186060
Email: rnt.helpdesk@linkintime.co.in

MUMBAI

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors take pleasure in presenting the Twenty-Sixth Annual Report on the affairs of your Company together with the annual audited financial statements for the year ended March 31, 2022.

1. FINANCIAL HIGHLIGHTS:

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

Particulars	**For the year ended March 31, 2022 (₹ In Crores)**	**For the year ended March 31, 2021 (₹ In Crores)**
Total Income	65.99	140.65
Total Expenditure	46.82	134.80
Profit before tax	**19.17**	**5.85**
Less: Provision for taxation		
- Current Tax	-	9.64
- Deferred Tax	5.81	(7.73)
Net Profit after tax	**13.36**	**3.94**
Earnings per share (Face Value ₹ 10/-)		
- **Basic (In ₹)**	**0.90**	**0.27**
- **Diluted (In ₹)**	**0.90**	**0.27**

2. STATE OF AFFAIRS OF THE GLOBAL AND INDIAN ECONOMY:

Across the world, economic activity has endured the waves of pandemic, buffered by exceptional policy support from governments, central banks and financial regulators. Challenges were also brought on by sudden disruptions in supplies and logistics, shortages, job losses and destruction of businesses. The fallout of the pandemic on financial markets and institutions was contained but the return to normalcy remained hesitant and uneven across regions and sectors. Vaccinations have proven effective at mitigating the adverse health impacts of COVID-19.

Global economic recovery hinges on a delicate balance amid new waves of COVID-19 infections, persistent labour market challenges, lingering supply-chain constraints and rising inflationary pressures. After a global contraction of 3.4% in 2020 and following an expansion of 5.5% in 2021, the highest rate of growth in more than four decades, the world economy is projected to grow by 4% in 2022 and 3.5% in 2023. World gross product in 2021 was 1.9% higher than in 2019 but still 3.3% below the level of output projected prior to the pandemic *(Source: World Economic Situation and Prospects, 2022 by United Nations)*. These aggregate growth figures, however, mask marked divergences in the pace of recovery across countries and regions. Global recovery in output in 2021 was largely driven by robust consumer spending and some uptake in investment. Trade in goods bounced back, surpassing the pre-pandemic level. But growth momentum slowed considerably by the end of 2021 in various economies as the effects of fiscal and monetary stimuli dissipated and major supply-chain disruptions emerged.

The conflict between Ukraine and Russia, in all its dimensions, has produced alarming cascading effects to world economy which was already battered by COVID-19 and climate change, with particularly dramatic impacts on developing countries. In many emerging market and developing economies (EMDEs), rising food and energy prices are exacerbating poverty and, in some cases, food insecurity, and heightening inflation pressures which were already building. Financial markets have been volatile amid increased uncertainty and geopolitical tension amongst the countries. Many commodity-importing EMDEs have seen capital outflows and markedly higher borrowing costs. Expected monetary tightening in advanced economies has also accelerated, heightening vulnerability to financial stress in EMDEs.

Outlook for the global economy has dampened somewhat due to the impact of the on-going geo political disturbances arising from the war between Russia-Ukraine and the renewed pandemic related lockdowns in China emanating primarily from its zero Covid policy. These events have accentuated supply shortages and inflationary trends across the world. The International Monetary Fund (IMF) has scaled down global Gross Domestic Product (GDP) growth for the year 2022 by 80bps to 3.6%. Likewise, the World Trade Organization (WTO) has scaled down projection of world trade growth for the year 2022 by 170bps to 3.0%. IMF notes that the medium term outlook is revised downwards for all groups, except commodity exporters who benefit from the surge in energy and food prices.

After the destructive second wave of the pandemic in India in April-May 2021, which interrupted an economic recovery that was gaining a foothold in the second half of 2020-21, the Indian economy regained strength and resilience. Consumer confidence and business optimism were on the rise as the spread and scale of vaccination expanded.

The outlook was progressively improving, though there were headwinds from global developments and more recently from Omicron. Entrenching the recovery hinges on revival of private investment and shoring up private consumption, which remain below their pre-pandemic levels. Inflation remains a concern buffeted as it is by the build-up of cost-push pressures. Strong supply side measures to contain food and energy prices have, however, worked towards moderating these risks.

Real GDP in Q2 of FY 2021-22 has grown by 8.4% YoY, recovering more than 100% of the pre-pandemic output in the corresponding quarter of FY 2019-20. India is among the few countries that have recorded four consecutive quarters of growth amid Covid-19 (Q3, Q4 of FY21 and Q1,Q2 of FY22) reflecting the resilience of the Indian economy *(Source: Monthly Economic Review, November 2021 by Department of Economic Affairs).* The recovery was driven by a revival in services, full-recovery in manufacturing and sustained growth in agriculture sectors. The recovery suggests kick-starting of the investment cycle, supported by surging vaccination coverage and efficient economic management activating the macro and micro drivers of growth.

India's economic recovery is on a solid path, amid rapid vaccination progress, less stringent social restrictions and still supportive fiscal and monetary stances. GDP is projected to expand by 6.7% in 2022 after a 9% expansion in 2021 – global headwinds, as base effects wane *(Source: World Economic Situation and Prospects).* Robust export growth and public investments underpin economic activity, but high oil prices and coal shortages could put the brakes on economic activity in the near term. It will remain crucial to encourage private investment to support inclusive growth beyond the recovery.

3. FINANCIAL PERFORMANCE AND COMPANY'S STATE OF AFFAIRS:

Over the past two years, owing to the overall economic scenario and challenges faced by the Non-Banking Financial Company ('NBFC') industry and the real estate sector, your management in concurrence with the Board has decided to follow a far more conservative approach, focussing on monetizing the underlying assets and deleveraging its liabilities. Considering the prevalent market risks during this period, it is with this objective and guidance that the Company has seen limited fresh disbursements resulting in muted growth in Assets Under Management ('AUM') during the period under review. The AUM as it stands today is a result of a calibrated, account-wise strategy adopted by the Company over this two-year period to achieve the agreed objective and has thus resulted in large realizations, utilized to pay down borrowings. It is anticipated that the Company will continue to execute this strategy and maintain conservative debt levels, in line with the revised strategy considering the long-term impact of pandemic and other macro-economic factors.

Simultaneously, the Company continues to maintain a healthy asset book backed by adequate security/hard collateral and continues to implement robust control and checks over its security including cash-flow being generated from its borrowers.

Your Company has made fresh addition of ₹1.88 crores in its loan portfolio during the financial year 2021-22 as against ₹131.44 crores during the financial year 2020-21. The revenue of your Company decreased from ₹140.65 crores in financial year 2020-21 to ₹65.99 crores in the financial year 2021-22, a decline of 53.08% over the previous financial year. Your Company also successfully executed its first advisory transaction which resulted in a gross revenue of ₹ 3.75 crores. The Net Profit after Tax has increased from ₹3.94 crores to ₹13.36 crores due to decrease in cost and provisions. Due to the prepayments from select borrowers and muted disbursement growth during the year, Asset Under Management of the Company reduced from ₹515.60 crore to ₹258.68 crore as compared to the previous financial year.

Continuing to maintain a prudent provisioning policy for loan assets, the Company is carrying Expected Credit Loss ('ECL') provision of ₹ 9.30 crores as on March 31, 2022 which is in excess of the minimum regulatory requirement for standard asset provisioning of 0.40% as stipulated by the Reserve Bank of India ('RBI') pursuant to applicable regulations in this regard for the financial year 2021-22. Your Company has maintained sufficient liquidity in form of fixed deposits with Banks; well managed its Asset Liability Management ('ALM') profile and maintained its conservative underwriting practices.

Your Company has continued to maintain its prudent practices towards real estate and corporate lending. It has adopted stringent asset recovery measures. The gross NPA was 5.97% and net NPA was 5.32% as on March 31, 2022. The gross and net NPA were nil as on March 31, 2021.

With an expected revival of the real estate sector in next quarters, the Company intends to leverage its expertise and gradually start increasing its AUM with fresh disbursals targeting deals with solid security structures and opportunities in debt-syndication, advisory and asset management. With continued and sustained support from management, pedigree of the Board, and a very strong and experienced team of professionals, the Company is well poised to enter the next phase of its growth cycle as per the planned approach.

4. TRANSFER TO RESERVES:

An amount of ₹ 2.67 crores (previous year: ₹0.79 crores) was transferred to Statutory Reserve as required under section 45-IC of the Reserve Bank of India Act, 1934.

5. CAPITAL ADEQUACY:

Your Company has maintained a healthy capital adequacy ratio, at well above the levels directed by RBI. As on March 31, 2022, the overall capital adequacy ratio of your Company was 85.67% (63.17% as on March 31, 2021). Your Company aims to maintain adequate capital cushion over and above the regulatory requirements.

6. DIVIDEND:

During the financial year 2021-22, your Company had declared an interim dividend of ₹8.44 per share to the shareholders of the Company as on July 13, 2021 from the accumulated profits of the Company. No final dividend has been recommended for the year ended March 31, 2022.

7. NON – DEPOSIT ACCEPTING NBFC:

Your Company being a Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Company has not accepted any deposits from public and shall not accept any deposits from the public without obtaining prior approval from the RBI. Accordingly, the disclosure requirements under Rule 8(5)(v) and (vi) of the Companies (Accounts) Rules, 2014 are not applicable to the Company.

8. RESERVE BANK OF INDIA ('RBI') REGULATIONS – COMPLIANCE:

As on March 31, 2022, the Company has complied with all regulations and guidelines of the RBI, as are applicable to it as a Systemically Important Non-Deposit Accepting Non-Banking Financial Company.

In terms of Master Direction- Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016 issued vide notification no. DNBS.PPD.02/66.15.001/2016-17 dated September 29, 2016, your Company has obtained a certificate from its Statutory Auditors, certifying that the Company has complied with the terms and conditions relating to foreign direct investment in India as prescribed in the said Master Directions.

9. COMPLIANCE WITH PROVISIONS OF FOREIGN EXCHANGE MANAGEMENT (NON-DEBT INSTRUMENTS) RULES, 2019 RELATING TO DOWNSTREAM INVESTMENT:

In terms of Foreign Exchange Management (Non-debt Instruments) Rules, 2019 dated October 17, 2019 announced by Ministry of Finance (Department of Economic Affairs), your Company has obtained a certificate from its Statutory Auditors, certifying that the Company has complied with the provisions of downstream investment as prescribed in the rules.

10. ASSET - LIABILITY MANAGEMENT AND FINANCIAL LEVERAGE:

Your Company has a well-defined Asset/Liability Management Policy ('ALM') policy to address the risk of mismatch between assets and liabilities. Your Company's Asset-Liability Committee ('ALCO') is set up in line with the guidelines issued by RBI. It monitors asset-liability mismatches to ensure that there are no imbalances or excessive concentrations on either side of the Balance Sheet.

Your Company follows a conservative and prudent cash flow management policy. The Company raises resources for a longer tenor than the experienced maturity of its assets which is supported by a conservative leverage ratio.

Your Company recognises the risk of funding long term projects with short term tenor funds and thus has not borrowed any short term funds. Your Company has a well managed ALM profile and has averted the possibility of a liquidity squeeze in its business operations. As a prudent practice and recognising the risks of the business, your Company aims to operate at lower than average market gearing. The gearing levels were lower at 0.29 times as on March 31, 2022 as compared to 0.56 times as on March 31, 2021.

Your Company has never defaulted on its liabilities and has timely serviced its dues on respective due dates. No liquidity risks were foreseen and the surplus funds of the Company were parked in fixed deposits with the banks. The Company has adopted a sound liquidity risk management framework which involves detailed analysis and estimation of the cash inflows and outflows over various time buckets.

11. DEBT SOURCING AND CREDIT RATING:

In continuation with its business strategy, your Company has deleveraged its liabilities and has not raised any fresh debt capital during the financial year 2021-22. The primary focus of the Company was monetisation of the underlying portfolio and ensuring maximum collections from the borrowers. Your Company has a cash credit facility of ₹50 crores out of which has been drawn by ₹49.90 crores as on March 31, 2022. The outstanding debt of the Company as at March 31, 2022 was ₹130.31 crores.

Due to challenging external market factors and revision in credit rating of the Company, the fresh credit facilities were available at moderately higher interest rates. Considering the historical financial performance of your Company, the management is optimistic in raising fresh debt capital at competitive pricing to meet its funding requirements once the sector revives from the crisis.

Due to decline in AUM and curtailed disbursements, ICRA Ltd in April, 2021 had revised the long-term credit rating of the Company amounting to Rs.925 crores from 'ICRA A1+' to 'ICRA A (Negative)' and short-term credit rating of the Company amounting to Rs.100 crores from 'ICRA A1+' to 'ICRA A1'. Since the Company had neither raised any short term debt nor intended to, at the request of the Company, ICRA Ltd had withdrawn the short term credit rating of the Company. Owing to continued shrinkage in AUM and muted growth, ICRA Ltd had further revised the credit rating of the Company amounting to Rs.400 crores from 'ICRA A (Negative)' to '[ICRA]BBB+ (Stable)' in February, 2022.

Given the domain expertise of the sponsor, satisfactory capitalisation levels and low gearing, your Company as a part of its business strategy shall plan to explore various investment opportunities in syndication, investment advisory and shall build a high yielding portfolio.

12. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

The Company, being a Non- Banking Financial Company registered with the Reserve Bank of India and engaged in the business of giving loans, is exempt from complying with the provisions of section 186 of the Companies Act, 2013, in respect of loans and guarantees. Accordingly, the disclosures of the loans given, as required under the aforesaid section, have not been made in this Report.

Information regarding investments covered under the provisions of section 186(1) of the Companies Act, 2013 are provided in the financial statements.

13. CONSOLIDATED FINANCIAL STATEMENTS:

In terms of Section 129 of the Companies Act, 2013, your Company has prepared consolidated financial statements of the Company and its wholly owned subsidiary company 'Balestier Ventures Private Limited' (formerly known as 'Yuj Home Finance Private Limited').

The consolidated financial statements of the Company shall be placed before the ensuing 26th Annual General Meeting of the Company along with the standalone financial statements of the Company.

The salient features of the said subsidiary company is given in the Form AOC-1 annexed to this Directors' report as 'Annexure I' as required under Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules 2014.

14. PERFORMANCE REVIEW OF SUBSIDIARY COMPANY / ASSOCIATE COMPANIES / JOINT VENTURES:

Your Company has 1 (one) unlisted wholly owned subsidiary, Balestier Ventures Private Limited (formerly known as 'Yuj Home Finance Private Limited'). Your Company does not have any joint venture(s) / associate company(ies) within the meaning of Section 2(6) of the Companies Act, 2013.

No business operations have been commenced by BVPL during the year under review. During the year under review, your Company has not invested any amount in the equity share capital of BVPL. No loan has been granted by your Company to BVPL during the year under review. Pursuant to change in main object and name, Balestier Ventures Private Limited received the fresh certificate of incorporation on May 05, 2021.

15. STATE OF AFFAIRS OF THE COMPANY:

During the year under review, there has been no change in the nature of business of the Company.

16. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management Discussion and Analysis Report for the year under review is presented in 'Annexure – II' forming part of this Annual Report.

17. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):

A. Appointment and cessation of Director(s):

The Nomination and Remuneration Committee recommends to the Board for any appointment of Directors and Key Managerial Personnel of your Company. The Committee considers the qualification, fit and proper status, positive attributes as per the suitability of the role and other skill sets as may be required from the candidate before such appointment.

During the year under review, following change took place in the composition of the Board of Directors and Key Managerial Personnel of the Company:

a. Mr. Shaurya Singh, designated Key Managerial Personnel of Company, resigned with effect from July 06, 2021.

b. Mr. Rohit Khandelwal (DIN: 07701298) resigned as the Director of the Company with effect from July 13, 2021.

c. Mr. Varun Gopinath (DIN: 09070660) was appointed as a Director of the Company at the Annual General Meeting of the Company held on September 30, 2021.

d. Mr. Rajesh Kumar Jogi (DIN:03341036) was appointed as a Nominee Director of the Company at the Annual General Meeting of the Company held on September 30, 2021.

e. Mr. Tariq Chinoy (DIN: 08830666) was appointed as a Nominee Director of the Company at the Annual General Meeting of the Company held on September 30, 2021.

None of the Directors are liable to retire by rotation

B. Director(s) Disclosures:

Based on the declarations and confirmations received in terms of provisions of the Companies Act, 2013, circular(s)/ notification(s)/direction(s) issued by the RBI and other applicable laws, none of your Directors on the Board of the Company are disqualified for appointment as Directors. The Company is not required to appoint independent directors under the provisions of the Act and hence statement on declaration under section 149(6) of the Companies Act is not applicable.

18. PARTICULARS OF EMPLOYEES, DISCLOSURE OF REMUNERATION AND NOMINATION AND REMUNERATION POLICY:

In terms of Section 197 of the Companies Act, 2013 read with Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the statement relating to particulars of employees of the Company is available for inspection by the Members at the Registered Office of the Company during business hours on working days. If any Member is interested in obtaining a copy, you may write to the Company Secretary in this regard.

Your Directors hereby confirm that the remuneration paid to the Directors is as per the Nomination and Remuneration Policy of the Company. In terms of Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the disclosures with respect to the remuneration of Directors, Key Managerial Personnel and the Employees of the Company has been provided as under:

Sr. No.	Disclosure Requirement	Disclosure Details
1	Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	Mr. Rohan Sikri / Mr. Rohit Khandelwal: Not applicable Mr. Rajesh Kumar Jogi: Not applicable Mr. Tariq Chinoy: Not applicable Mr. Varun Gopinath: 3.13
2	Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	**KMP** | **Title** | **% increase in remuneration** Ms. Hinal Shah | Company Secretary | Note 1
3	Percentage increase in the median remuneration of employees in the financial year;	23.6%
4	Number of permanent employees on the rolls of Company at the end of the year	16 permanent employees as on March 31, 2022

5	Average percentile increase already made in the salaries of employees' other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	There was a decrease of 26.4% in average percentile of the salaries of employees other than the managerial personnel in financial year 2021-22 as compared to previous financial year 2020-21 due to resignation of few non-managerial employees. However, since the managerial personnel were employed for only a part of financial year 2020-21 the increase/(decrease) in average percentile of managerial remuneration for the financial year 2021-22 as compared to previous financial year 2020-21 has not been computed.
6	Affirmation that the remuneration is as per the nomination and remuneration policy	The Company is in compliance with the Nomination and Remuneration Policy.

Note 1: Ms. Hinal Shah was appointed as Company Secretary with effect from March 23,2021. Since she was not eligible for full remuneration during the previous year, the increase in remuneration in FY 2021-22 compared with FY 2020-21 has not been computed.

Note 2: Remuneration includes fixed and variable salary accrued for the relevant financial year.

Note 3: With the objective of fair comparison, ratios are computed considering only those employees who were employed throughout both financial years 2020-21 and 2021-22.

19. EMPLOYEE STOCK OPTION SCHEME:

Your Company has formulated and implemented 'Xander Finance Employee Incentive Scheme 2016' (the 'Scheme') with an intent to reward the employees of the Company for their performance and to motivate them to contribute to the growth and profitability of the Company. The Company also intends to use this scheme to retain talent with the Company.

The said Scheme of the Company is implemented and administered by the Nomination and Remuneration Committee. Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors at their meeting had granted phantom stocks to eligible employees as per the terms and conditions of the scheme.

Disclosure with respect to the said Scheme in terms of Section 62 of the Act read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014, have been provided at 'Annexure III' to this Directors' report for financial year ended on March 31, 2022.

20. DETAILS OF BOARD AND COMMITTEE MEETINGS:

The dates of Board and Committee Meetings held during the financial year indicating the number of Board and Committee Meetings attended by each director is mentioned in 'Annexure IV' of this Directors' report. Details of sub-committees of the Board during the financial year 2021-22 are as below:

a. Audit Committee:

In terms of Section 177 of the Companies Act, 2013, following is the constitution of the Audit Committee:

Name of member	Designation
Rajesh Jogi	Chairman
Rohan Sikri	Member
Tariq Chinoy	Member

b. Nomination and Remuneration Committee:

In terms of Section 178 of the Companies Act, 2013, following is the constitution of the Nomination and Remuneration committee:

Name of member	Designation
Rohan Sikri	Member
Rajesh Jogi	Member
Tariq Chinoy	Member

c. Corporate Social Responsibility Committee:

In terms of Section 135 of the Companies Act, 2013, following is the constitution of the Corporate Social Responsibility committee:

Name of member	Designation
Rajesh Jogi	Member
Tariq Chinoy	Member
Varun Gopinath	Member

d. Asset-Liability Management Committee:

Your Company has constituted an Asset Liability Management Committee ('ALCO') which is primarily responsible for liquidity risk management; interest rate risk management; credit risk management and other operational risks. The ALCO responsible for funding and capital planning; determination of the business strategy of the Company in line with the financial budget approved by the Board and forecasting and analyzing of risks and preparation of various contingency plans. The ALCO meets on a quarterly basis and assesses the macro-economic factors and global developments which may have an influence on the business operations of the Company, fund flow status, determination of product pricing for loans and advances, liquidity management and performance of the Company against the budgeted figures.

The ALCO of the Company was reconstituted by the Board of Directors of the Company at their meeting held on August 18, 2021 and further reconstituted on November 12, 2021 owing to a change in the officers of the Company. Following is the present constitution of the ALCO:

Name of the Member	Designation
Priyanka Khanna	Member
Tariq Chinoy	Member
Srinivasan J	Member
Reshma Janwalkar	Member

e. Information Technology ('IT') Strategy Committee:

Pursuant to Master Direction on Information Technology Framework for the NBFC sector issued by RBI on June 8, 2017, your Company has constituted an IT Strategy committee at the meeting of the Board of Directors held on June 19, 2018. The IT Strategy Committee is responsible for monitoring and implementation of IT security and controls as provided in the above-mentioned RBI framework. The IT Strategy committee

of the Company was reconstituted by the Board of Directors of the Company at their meeting held on August 18, 2021. Following is the constitution of the IT Strategy committee:

MUMBAI

Name of the Member	Designation
Varun Gopinath	Member
Priyanka Khanna	Member
Hinal Shah	Member
Sachin Sawant	Member

21. COMPLIANCE WITH SECRETARIAL STANDARDS ISSUED BY INSTITUTE OF COMPANY SECRETARIES OF INDIA ('ICSI') ON BOARD AND GENERAL MEETINGS:

Your Company has complied with the Secretarial Standards issued by 'The Institute of Company Secretaries of India' on Board Meetings ('SS-1') and General Meetings ('SS-2').

22. EVALUATION OF THE BOARD'S PERFORMANCE:

Your Company has a Nomination and Remuneration policy which provides for performance evaluation of the members of the Board, its directors and working of its committees.

In terms of Section 178 of the Companies Act, 2013 and Guidelines on Corporate Governance issued vide Master Direction - Non- Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 issued by RBI on September 1, 2016, the Company has adopted a policy on Selection Criteria / "Fit and Proper" Person Criteria which lays down a framework relating to appointment of director(s) and key managerial personnel of the Company. Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual evaluation of its own performance, the directors individually, as well as evaluation of the working of its committees. A structured questionnaire was prepared after taking into consideration the various aspects of the Board's functioning, composition of the Board and its committees, culture, execution and performance of specific duties, obligations and governance. Since the Company is not required to appoint independent directors the performance evaluation of the Directors was carried out by such other directors. The Board of Directors expressed their satisfaction with the evaluation process.

23. COMPANY POLICIES:

a. Whistle Blower policy / Vigil Mechanism:

Pursuant to the provisions of Section 177 (9) of the Companies Act, 2013 read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014, your Company has in place a Whistle Blower policy which provides for a vigil mechanism that encourages and supports its Directors and employees to report instances of illegal activities, unethical behaviour, actual or suspected, fraud or violation of the Company's Code of Conduct and Code of Business Ethics. It also provides for adequate safeguards against victimization of persons who use this mechanism.

Your Company has constituted a Vigilance and Ethics committee who shall be responsible for receiving protected disclosures from whistle blowers, maintaining records thereof and placing the same before the Audit Committee for its disposal.

The Whistle Blower Policy / Vigil Mechanism is available on your Company's website i.e https://www.xanderfinance.com/.

b. Nomination and Remuneration policy:

The Board of Directors of your Company have approved a Nomination and Remuneration policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The policy also lays down criteria for selection and appointment of Board Members and Key Managerial personnel. In terms of section 178 of the Companies Act, 2013 the Company has constituted a Nomination and Remuneration Committee of the Board of Directors.

The Nomination and Remuneration Committee of the Board of Directors has laid down the performance evaluation and assessment criteria/parameters for the Board (including Board Committees) and individual Directors.

The Nomination and Remuneration policy is available on your Company's website i.e https://www.xanderfinance.com/.

c. Prevention of Sexual Harassment at workplace policy:

Your Company is committed to create an environment in which all individuals are treated with respect and dignity and promote a gender sensitive safe work environment. As required by the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has formulated a Prevention of Sexual Harassment at workplace policy.

Your Company has constituted an Internal Complaints Committee pursuant to the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. Your Company has appointed Ms. Poornima Hatti as the external person from non-governmental organisation in the Internal Complaints Committee with effect from September 7, 2021.

During the year under review, no complaints related to sexual harassment had been received by the Internal Complaints Committee.

d. Risk Management policy:

Your Company has in place a mechanism to identify, assess, monitor and mitigate various risks associated with the business of the Company. Major risks identified by the business and functions, if any, are systematically addressed through mitigating actions on a continuing basis. The Board of Directors of your Company have adopted a Risk Management framework which shall manage, mitigate and attempt to build an estimate of the various components of risk that exist at any point in time.

Your Company has constituted a Risk Management Committee ('RMC') which is responsible for review of risk management practices covering credit risk, operational risk, market risk and integrated risk.

The Risk Management Committee of the Company has not identified any elements of risk which, in their opinion, may threaten the existence of your Company.

e. Know Your Customer policy and Anti-Money Laundering measures:

Your Company in the ordinary course of business grants loans to various borrowers. The Company is required to abide by the extant regulatory and statutory norms relating to Know Your Customer and Anti-money Laundering measures laid down by RBI.

Your Company has in place a Board approved Know Your Customer policy and Anti-Money Laundering measures that enables the Company to know and understand its customers and their respective financial dealings better which in turn will help to manage its risks prudently.

f. Fair Practice Code:

Your Company has in place a Fair Practice Code, which includes guidelines on the terms and conditions relating to receipt of loan applications from the prospective borrowers and processing thereof, sanction, monitoring, recovery of loans and grievance redressal mechanism in case any dispute arises between the Company and its borrowers.

g. Policy on Related Party Transaction:

Your Company adopted a Policy on Related Party Transaction which defines materiality of related party transactions and manner of dealing with related party transactions and ensure proper approval and reporting of related party transactions between the Company and its related parties. During the year under review, your Company had entered into a related party transaction on arms-length basis and under ordinary course of business.

24. CORPORATE SOCIAL RESPONSIBILITY ('CSR'):

Your Company has in place a Corporate Social Responsibility ('CSR') policy, as per the provisions of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, which, inter-alia, lays down the guidelines and mechanism for undertaking socially useful projects for welfare and sustainable development of the community at large.

As per the provisions of Section 135 of the Companies Act, 2013, your Company has constituted a Corporate Social Responsibility Committee. The Corporate Social Responsibility Committee assists the Board in fulfilling its duty towards the community and society at large by identifying the activities and programmes that can be undertaken by the Company, in terms of the CSR policy of the Company.

During the year under review, your Company has contributed ₹1.08 crore towards CSR activities as stipulated under Schedule VII of the Companies Act, 2013. The details about the CSR activities/initiatives taken by the Company during the financial year 2021-22 have been appended as 'Annexure V' to this Report.

25. RELATED PARTY TRANSACTIONS:

During the year under review, your Company entered into related party transactions in the ordinary course of business and at arm's length basis that were duly approved by the Audit committee and the Board. These transactions are not covered within the purview of Section 188(1) of the Companies Act, 2013 and further, the Company had no material contracts or arrangement or transactions at arm's length basis during the period under review. Therefore, the requirement of disclosure of related party transactions in terms of Section 134(3)(h) of the Companies Act, 2013 in Form AOC – 2 is not applicable to the Company.

The Company has not given any loans and advances to any related party and hence disclosure required under regulation 53(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not required.

All Related Party Transactions as required under Indian Accounting Standards ('Ind AS-24') are reported in notes to financial statements.

26. AUDITORS:

In terms of Section 139, 141 and other applicable provisions of the Companies Act, 2013, M/s. Ravi Rajan & Co. LLP, Chartered Accountants (FRN No. 009073N/N500320) were appointed as Statutory Auditors of the Company at the Annual General Meeting of the Company held on September 30, 2021 to fill the casual vacancy caused by the resignation of M/s. S.R. Batliboi & Co. LLP, Chartered Accountants, (FRN No: 301003E/E300005) to hold office as Statutory Auditors of the Company from the conclusion of the Twenty Fifth Annual General Meeting till the conclusion of the Twenty Sixth Annual General Meeting to be held for the financial year 2021-22. The Board hereby recommends the appointment of M/s. Ravi Rajan & Co. LLP, Chartered Accountants (FRN No. 009073N/N500320) as the statutory auditors of the Company for a further period of 2 (two) consecutive years to hold office from the conclusion of the ensuing Annual General Meeting until the conclusion of the seventh Annual General Meeting to be held for the financial year 2023-24.

M/s. Ravi Rajan & Co. LLP, Chartered Accountants, (FRN: 009073N/N500320) have confirmed their eligibility to the effect that their appointment, if made, would be within the prescribed limits under the Companies Act, 2013 and that they are not disqualified to be appointed and have expressed their willingness to act as Statutory Auditors of the Company. The Company has also received a certificate from them under Section 139(2) of the Companies Act, 2013.

27. COMMENTS ON THE QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE BY THE AUDITORS:

Your Directors state that there are no adverse qualifications, reservations or adverse remarks or disclaimer made by the Statutory Auditors on the financial statements for financial year 2021-22. During the year under review, the Statutory Auditors have not reported any incident of fraud to the Board.

28. INTERNAL AUDITORS AND THEIR REPORT:

In terms of Section 138 of the Companies Act, 2013 and other applicable laws, M/s. Aneja Associates, Chartered Accountants were reappointed as Internal Auditors of the Company for the financial Year 2021 -22.

29. SECRETARIAL AUDITORS AND THEIR REPORT:

In terms of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. RJSY & Associates, Company Secretaries, to undertake the Secretarial Audit of the Company for the financial year ended March 31, 2022. The Report of the Secretarial Auditors in prescribed Form MR-3 is given at 'Annexure VI' to this Director's report.

30. MAINTENANCE OF COST RECORDS:

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

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

The information under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2022 is as mentioned below:

A. Conservation of Energy:

The Company is not a manufacturing Company; however, energy conservation continues to receive priority attention at all levels. All efforts are made to conserve and optimise energy.

B. Technology Absorption:

In its endeavour to deliver the best to its clients, your Company is constantly active in harnessing and tapping the latest and best technology in the industry. Since the Company is not involved in the manufacturing of any product, the benefits derived are not quantifiable. Also, no technology has been developed and/or imported by way of foreign collaboration nor has the company incurred any expense on Research and Development.

C. Foreign Exchange Earnings and outgo:

During the year under review, your Company did not have any foreign exchange earnings (Previous year: Nil) and incurred foreign currency expenditure of ₹ 0.04 crore (Previous year: ₹0.04 crore).

32. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS:

No orders have been passed against your Company by any regulator(s) or courts or tribunals which would impact the going concern status and / or the future operations of your Company.

33. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

No material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

34. DIRECTORS' RESPONSIBILITY STATEMENT:

As per Section 134 of the Companies Act, 2013 the Directors confirm:

(i) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(ii) that the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

(iii) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) that the directors have prepared the annual accounts on a going concern basis;

(v) the directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

(vi) that the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

35. INTERNAL CONTROL / INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:

To the best of our knowledge and belief and according to the information and explanations obtained by us, and relying on the Reports of Internal Auditors and Statutory Auditors of the Company for the financial year 2021-22, your Directors are of the view that the internal financial controls with reference to the Financial Statements of the Company were adequate and operating efficiently and further confirm that:

i. the Company has comprehensive internal control systems that are commensurate with the size and nature of its business;

ii. the Company has laid down standards, processes and structures which enable implementation of internal financial controls across the organisation and ensure that the same are adequate and operating effectively;

iii. the systems are designed in a manner to provide reasonable assurance about the integrity and reliability of the financial statements;

iv. the Company adopts prudent lending policies and exercises due diligence to safeguard its loan asset portfolio; and

v. the loan approval process involves origination and sourcing of business, credit appraisal and credit approval in accordance with approved Policy.

36. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR:

No applications are made by the Company under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year and no proceedings for the same are pending against the Company.

37. DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF:

Not applicable. The Company has not made any one-time settlement amount to Banks and Financial Institutions.

38. ANNUAL RETURN:

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, the Annual Return as on March 31, 2022 is available on the website of the Company at https://www.xanderfinance.com/.

39. ACKNOWLEDGEMENTS:

Your Directors take this opportunity to express their appreciation to all stakeholders of the Company including the Reserve Bank of India, the Ministry of Corporate Affairs, the Securities and Exchange Board of India and other Regulatory Authorities, Credit rating agencies, Security and Debenture Trustees, Members, Customers and Employees of the Company for their continued support and trust.

The Directors are grateful for the support extended by them and look forward to receiving their continued support and encouragement. The Directors also wish to thank the bankers and other financial institutions of the Company for their continued support.

On behalf of the Board of Directors
For Xander Finance Private Limited

Rajesh Jogi	**Tariq Chinoy**
Director	**Director**
DIN: 03341036	DIN: 08830666

Date: September 06, 2022
Place: Mumbai

ANNEXURE I TO DIRECTORS' REPORT

FORM AOC-1

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

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

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	Balestier Ventures Private Limited (formerly known as 'Yuj Home Finance Private Limited')
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same reporting period ending as at March 31, 2022
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not applicable
4.	Share capital (authorised and paid up)	₹ 12,00,00,000/-
5.	Reserves & surplus	₹ 1,62,48,656/-
6.	Total assets	₹ 13,70,67,164/-
7.	Total Liabilities	₹ 13,70,67,164/-
8.	Investments	Nil
9.	Turnover	Nil
10.	Profit before taxation	₹ 35,42,821/-
11.	Provision for taxation	₹ 9,25,008/-
12.	Profit after taxation	₹ 26,17,813/-
13.	Proposed Dividend	Nil
14.	% of shareholding	100%

Notes:

1. Names of subsidiaries which are yet to commence operations – Balestier Ventures Private Limited (formerly known as 'Yuj Home Finance Private Limited')
2. Names of subsidiaries which have been liquidated or sold during the year- Nil

On behalf of the Board of Directors
For Xander Finance Private Limited

Rajesh Jogi	**Tariq Chinoy**
Director	**Director**
DIN: 03341036	DIN: 08830666

Date: September 06, 2022
Place: Mumbai

ANNEXURE II TO DIRECTORS' REPORT
MANAGEMENT DISCUSSION AND ANALYSIS

INDIAN ECONOMY

In Q4FY22, the Indian economy witnessed a recovery from the third wave of Covid-19 as restrictions were eased out. It reflected in revival in urban economy even as rural saw some slackness. Recently, the effect of rising agri-commodity prices, reflecting of global disturbances have seen prospected for the rural economy reviving. Exports growth continues to remain robust and imports have also surged, thus translating into a monthly trade deficit of USD 18-20 billion. There has been some revival in household consumption and investments intents have shown early signs of improvement. The outlook appears to be impacted by global spillover effects reflecting in rising inflation and hardening interest rates. The Reserve Bank of India (RBI) has scaled down FY23 GDP growth forecast to 7.2% while inflation is projected higher at 5.7%. But the latest data show that the inflation has already edged higher at 7% in March 2022 and core inflation at 6.4%.

The RBI has shifted its monetary policy direction from being very accommodative to being hawkish with the out of turn 40bps hike in reverse repo rate to 4.4% and increase in CRR by 50bps to 4.5%, which implies that the central bank is on the path of liquidity normalisation. Given the upside surprises on inflation, the RBI is leaning more towards its objective of inflation control rather than continued focus on reviving demand and growth. During the month of April, 2022, liquidity in the banking system has remained in excess, averaging at Rs. 7.5 trillion. The large liquidity overhang in the form of daily surplus funds parked under the Standing Deposit Facility (SDF) (average of Rs. 2.0 trillion resulted in average overnight call rate dipping below the SDF rate at 3.75%). With the 40bp hike in Cash Reserve Ratio (CRR) the RBI will be sucking out ` 870 billion of surplus liquidity. Higher than projected inflation and drain in forex reserves of RBI, currently at USD 598 billion will likely see further rate hike, and liquidity withdrawal to counter weakening impulses on the Indian rupee, arising from a stronger US dollar.

INDUSTRY OVERVIEW

Non-Banking Finance ('NBFC') sector

Non-Banking Financial Companies ("NBFC") a key pillar of the Indian financial ecosystem, along with public sector banks, private banks and financial institutions – forms one of the four broad constituents of the credit ecosystem of the Indian financial sector. They serve as an alternative channel of credit flow to the commercial sector, cater to diverse financial needs of millions of small firms as well as individuals. NBFCs have a competitive edge in their superior understanding of regional dynamics, well-developed collection systems and personalised services in the drive to expand financial inclusion in India. Lower transaction costs, quick decision making, customer orientation and prompt provision of services have typically differentiated NBFCs from banks. The reach and last mile advantages of NBFCs have empowered them with agility, innovation and a cutting edge in providing formal financial services to underbanked and unserved sections of the society.

During the FY 2021-22, Reserve Bank of India ("RBI") continued its efforts to develop and deepen various segments of the financial markets by strengthening the regulatory framework and improving the NBFC infrastructure. Important regulatory measures governing NBFCs issued by RBI are highlighted below:

- **Declaration of dividend by NBFCs**

  RBI issued guidelines on distribution of dividends by NBFCs to infuse greater transparency and uniformity in practice. The guidelines interalia includes the minimum prudential requirements, quantum of dividend payable by NBFCs, reporting system to be adhered by NBFCs at the time of declaration of dividend. These guidelines shall be effective for declaration of dividend from profits of the f inancial year ending March 31, 2022 and onwards.

- **Resolution framework 2.0 for Covid-19 related stress accounts**

  With the objective of alleviating the potential stress to individual borrowers and small businesses, RBI provided a window to various lenders including housing finance companies under (a) Resolution Framework – 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses and (b) Resolution Framework – 2.0: Resolution of Covid-19 related stress of Micro, Small and Medium Enterprises, to implement a resolution plan for eligible individual borrowers and small businesses having stress on account of Covid-19, without change in ownership while classifying such exposures as "Standard".

- **Guidelines for transfer of loan exposures**

  A robust secondary market in loans can be an important mechanism for management of credit exposures by lending institutions. It also creates additional avenues for raising liquidity. The Master Directions on Transfer of Loan Exposures issued on September 24, 2021 lay down the comprehensive regulatory framework for transfer of loan exposures by banks, NBFCs and AIFIs. In particular, an enabling framework has been put in place for transfer of stressed loan exposures to a wider set of market participants, subject to specified conditions.

- **Scale Based Regulation: A revised regulatory framework for NBFCS**

  RBI issued Scale Based Regulation (SBR) covering capital requirements, governance standards, prudential regulation, etc., for NBFCs. SBR guidelines shall be effective from

October 1, 2022, except for the instructions relating to ceiling on IPO funding which was made effective from April 1, 2022.

In continuation to the aforesaid SBR, RBI has in the month of April, 2022 issued detailed guidelines on the following:-

i) Compliance Function and Role of Chief Compliance Officer (CCO) – NBFCs;
ii) Loans and Advances – Regulatory Restrictions by NBFCs basis their categorization as per SBR;
iii) Disclosure in financial statements;
iv) Capital requirements for NBFCs – Upper Layer.

- **Appointment of Internal Ombudsman**

In order to ensure consumer protection and provide grievance redress mechanism to customers, RBI mandated that deposit-taking NBFCs having 10 or more branches and Non-Deposit taking NBFCs (NBFCsND) with asset size of Rs.5,000 crore and above and having public customer interface would require to appoint Internal Ombudsman (IO). The circular issued by RBI in this regard prescribes the detail guidelines on qualification, tenure, roles and responsibilities of IO.

- **Legal Entity Identifier (LEI) for borrowers of NBFCs**

RBI mandated that non-individual borrowers enjoying aggregate exposure of Rs. 5 Crore and above from banks and financial institutions (FIs) including NBFCs shall be required to obtain LEI codes as per the timeline given in the said circular. Borrowers who fail to obtain LEI codes from an authorized Local Operating Unit (LOU) shall not be sanctioned any new exposure nor shall they be granted renewal/enhancement of any existing exposure.

Further, apart from the above, Securities and Exchange Board of India ("SEBI") on September 7, 2021, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, were amended by introducing the concept of "High Value Debt Listed Entities" to mean a listed entity that has an outstanding listed Non-Convertible Debt Securities ("NCDs") of Rs. 500 Crore and above as on March 31, 2021. Basis the said threshold, the Company qualified to be a High Value Debt Listed Entity, pursuant to which certain regulations that were applicable only to equity listed entities are now made applicable to it on a 'comply or explain' basis till March 31, 2023. Accordingly, the Company has endeavored to comply with the said Regulations to an extent

COMPANY INFORMATION

Established in 2010 by The Xander Group under license from the Reserve Bank of India (RBI), Xander Finance (XFPL) is a systemically important Non-Banking Financial Company in India.

Innovative in approach and nimble in execution, XFPL is an industry leader in providing end to end credit solutions including advisory services, deal structuring, financing, and workouts to investors, developers, asset owners, private equity owners and large corporations across a range of industries including real estate, logistics, education, infrastructure, retail & entertainment. XFPL is headquartered in Mumbai with offices in New Delhi, Bengaluru and Chennai.

Proprietary origination, innovative structuring and adopting a solution-based approach with active monitoring, XFPL is led by real estate, finance and legal professionals with substantial experience, and is engaged in providing a range of credit solutions to companies in situations constrained for conventional funding. The Company has aligned its product offering to be situational - funding acquisitions and growth, providing capital to exit private debt and consolidate promoter holding, and growth capital to credible business groups as needed, to accelerate growth trajectories.

XFPL is focused on deals with first and exclusive charge on the underlying, ensuring a tight security structure including personal and corporate guarantees, control on project cashflows through escrow, first mortgage on land/ asset, hypothecation of receivables, majority share pledge, etc.

Range of products include:

- Acquisition Finance
- Promoter Loan & Growth Capital
- Construction Finance
- Working Capital Loans
- Loans for Capital Expenditure
- Inventory Funding
- Refinance Transactions
- Loan against Property (Collateral backed)
- Exit of Private Equity Investors
- Corporate Advisory
- Special Situations Management
- Debt syndication

BUSINESS OUTLOOK

During FY 2022-23; your Company intends to enhance its business performance through the following initiatives:

a) **Increased focus on monitoring of restructured loan portfolio of the Company:**

In line with the regulatory framework announced by RBI for relief from COVID-19 pandemic, your Company has invoked the resolution framework and has approved restructured of loan accounts of eligible borrowers. Your Company shall constantly monitor and assess the business and financial position of its customers / borrowers and shall take all necessary measures for collections from its customers / borrowers or monetise the loan account.

b) **Maintenance of conservative debt levels:**

Considering the ongoing pandemic, the Company shall continue to deleverage and shall pay majority of its debt out of the cash flows generated from the portfolio. The debt levels of the Company shall continue to remain low for FY 2021-22 subject to any fresh disbursals targeted by the Company.

c) **Focus on increasing the Asset Under Management ('AUM') of the Company:**

The AUM as it stands today is a result of a calibrated, account-wise strategy adopted by the Company over the period to achieve the agreed objective and has thus resulted in large realizations, utilized to pay down borrowings. It is anticipated that the Company shall continue to execute this strategy and maintain conservative debt levels over next two quarters, in line with the revised strategy considering the on-going pandemic and the second wave currently being witnessed in India. The Company intends to gradually start increasing its AUM with fresh disbursals targeting deals with solid security structures and opportunities in debt-syndication, advisory and asset management.

d) **Continue to focus on asset liability management:**

Your Company follows prudent practices of asset liability management ('ALM'). The Company borrows funds for a longer tenure keeping in line with its projected cash inflows. Your Company has a well-matched ALM profile and has never borrowed any short-term funds for deploying into long term assets. Your Company shall continue to maintain its prudent ALM profile alongwith low leverage.

e) **To achieve better return on equity:**

Your Company is taking steps to further optimise its cost of borrowings through diversification of funding sources from banks and capital market. This will also help your Company to focus on borrowers with a better credit profile and minimise the risk profile. Further, diversification of funding sources having both fixed and variable rate loans will help your Company to protect its margins during changing interest rate regimes. Your Company shall take measures to reduce unessential operating expenses which in turn shall help the Company to control its overall costs. Your Company shall endeavour to increase its profits by generating revenue by undertaking advisory services, deal structuring including syndication, financing etc.

Risk Management

The Company has a sound credit appraisal system in place and is positioned as one of the most conservative lenders in the Indian market in its target segment. In addition to internal credit assessment, reputed professional agencies are appointed to conduct a thorough due diligence to understand and mitigate the risks before making any credit decision.

The Company adopts prudent risk management policies like Know Your Customer (KYC), Anti-Money Laundering Policy, Credit Policy, Risk Management Policy, Interest Rate Policy and Fair Practice Code and has multiple committees in place such as Risk Management Committee, Credit Committee, ALCO and Audit Committee to ensure consistent risk mitigation and value creation.

The Company has a separate asset management team in place that independently monitors all the assets on a continuous basis. This team communicates regularly with the management of the borrowers and the Company's credit team to ensure that any deviations from the contractual terms are highlighted well in advance.

Internal Control Systems:

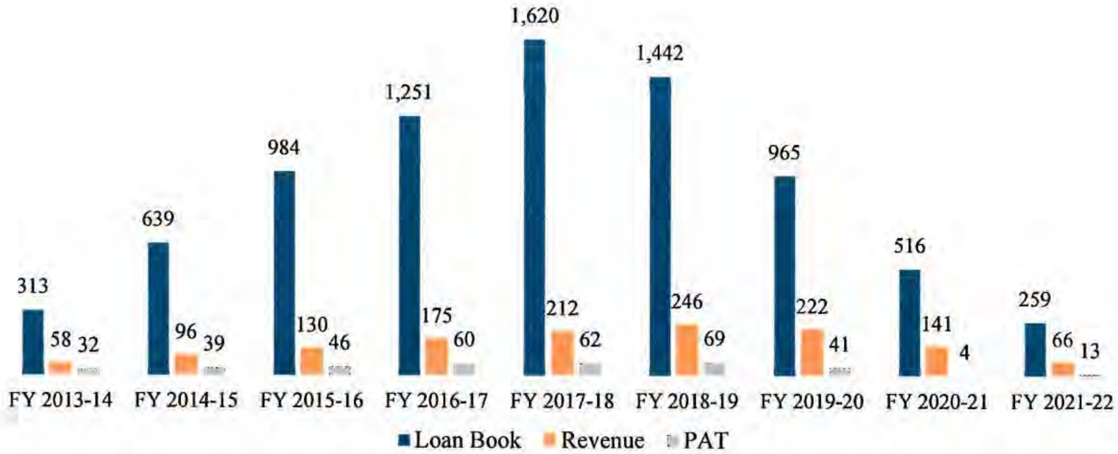
The Company maintains a system of internal controls designed to provide a high degree of assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguards of its assets, reliability of financial controls and compliance with applicable laws and regulations. The Company ensures adherence with all internal control policies and procedures as well as compliance with all regulatory guidelines. All the internal and regulatory compliance as well as significant audit observations of the Internal Auditors are reviewed and discussed by the Audit Committee.

Discussion of financial performance

Following chart summarizes the operating history of the Company:

MUMBAI

Loan Book, Revenue and PAT



Notes:
Figures in INR crores

Financial performance during FY 2021-22

Your Company has made fresh addition of ₹ 1.88 crores in its loan portfolio during the financial year 2021-22 as against ₹131.44 crores during the financial year 2020-21. Further, due to prepayments from some of the existing borrowers, the Company's loan portfolio reduced from ₹515.60 crores to ₹258.68 crores as compared to previous financial year. The real estate loan book stood at ₹212.46 crores and the corporate lending book stood at ₹46.22 crores.

Your Company has continued to maintain its prudent practices towards real estate and corporate lending. It has adopted stringent asset recovery measures. The gross NPA was 5.97% and net NPA was 5.32% as on March 31, 2022. The gross and net NPA were nil as on March 31, 2021.

The revenue of your Company decreased from ₹140.65 crores in FY 2020-21 to ₹65.99 crores in FY 2021-22, a decline of 53.08% over the previous financial year. The Net Profit after Tax has increased from ₹3.94 crores to ₹13.36 crores due to decrease in cost and provisions.

The borrowings of the Company stood at ₹130.31 crores as on March 31, 2022, with borrowings being from banking and financial institutions.

Particulars (₹ in crores)	FY 2021-22	FY 2020-21
Total Revenue	65.99	140.65
Profit after tax	13.36	3.94
Loan Portfolio	258.68	515.60
Borrowings	130.31	322.16
Net Worth	433.31	545.01
Capital Risk Adequacy Ratio	85.67%	63.17%
Debt Equity Ratio	0.3x	0.6x
Gross NPA/Total advances	5.97%	Nil
Net NPA/Total advances	5.32%	Nil
NIM	5.0%	7.6%
ROA	1.8%	0.4%
ROE	2.7%	0.7%

Figures for the previous year have been regrouped, rearranged or reclassified, where necessary to confirm to the current year's classification.

Human Resource Management

The Company believes that its human resources have the capability and expertise to meet challenging needs of the marketplace. The Company continues to undertake several initiatives in this financial year which includes enhancement of staff benefits through comprehensive health care and life cover programmes across all levels. In order to combat COVID-19 pandemic, a strict work from home policy has been adopted and limited access to office premises has been granted to employees subject to approval from management of the Company. Further, the Company periodically undertakes sanitization activities at its premises and has made usage of face masks and sanitizers compulsory.

The Company's pay-for-performance philosophy promotes a strong culture of performance. The Company is responsible for monitoring and implementation of ethical practices and policies at workplace. The Company has put in place policies that are designed to ensure a healthy and safe workplace, free from discrimination where employees can raise complaints without fear. It does not discriminate on grounds of age, gender, colour, ethnicity, language, sexual orientation, caste, economic or social status or special ability. As on March 31, 2022, the Company had 16 employees on its rolls.

On behalf of the Board of Directors
For Xander Finance Private Limited

Rajesh Jogi	**Tariq Chinoy**
Director	**Director**
DIN: 03341036	DIN: 08830666

Date: September 06, 2022
Place: Mumbai

ANNEXURE III TO DIRECTORS' REPORT

Disclosure under the Xander Finance Employee Incentive Scheme 2016 (the 'Scheme') pursuant to the provisions of Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 for the financial year ended on March 31, 2022:

Particulars	**Disclosure as per the Xander Finance Employee Incentive Scheme 2016 (the 'Scheme')**
Total number of options in force as on April 1, 2021	2,73,305
Number of options granted during financial year 2021-22	Nil
Number of options vested during financial year 2021-22	Nil
Number of options exercised during financial year 2021-22	Nil
Total number of shares arising as a result of exercise of options during financial year 2021-22 (refer note below)	Nil
Number of options lapsed / cancelled during financial year 2021-22	53,518
Exercise Price	Nil
Variation of terms of options	Nil
Money realised by the exercise of options during financial year 2021-22	Nil
Total number of options in force as on March 31, 2022	2,19,787

Note: Total of number of shares arising as a result of exercise of options is nil since the above options will be settled by way of cash payout as per the Scheme.

Details of options granted to Key Managerial Personnel ("KMP") under the Xander Finance Employee Incentive Scheme 2016 during financial year 2021-22:

No Options were granted during the financial year 2021-22

Details of employees who received a grant of options in any one year of options amounting to five per cent or more of options granted during that year:

No Options were granted during the financial year 2021-22

Identified employees who were granted options during any one year equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant:

No Options were granted during the financial year 2021-22

On behalf of the Board of Directors
For Xander Finance Private Limited

Rajesh Jogi	**Tariq Chinoy**
Director	**Director**
DIN: 03341036	DIN: 08830666

Date: September 06, 2022
Place: Mumbai

ANNEXURE IV TO DIRECTORS REPORT

DETAILS OF BOARD & COMMITTEE MEETINGS HELD DURING THE FIANNCIAL YEAR 2021-22

1. **Board Meetings:**

The Board met 8 times during the year under review on the following dates:

First Quarter (April to June)	Second Quarter (July to Sept)	Third Quarter (Oct to Dec)	Fourth Quarter (Jan to March)	**Total Board Meetings**
08.04.2021 25.06.2021	13.07.2021 18.08.2021 24.09.2021 30.09.2021	12.11.2021	10.02.2022	**8 (Eight)**

2. **Committee Meetings:**

A. Audit Committee-

First Quarter (April to June)	Second Quarter (July to Sept)	Third Quarter (Oct to Dec)	Fourth Quarter (Jan to March)	**Total Meetings**
25.06.2021	24.09.2021	12.11.2021	10.02.2022	**4 (Four)**

B. Nomination and Remuneration Committee-

First Quarter (April to June)	Second Quarter (July to Sept)	Third Quarter (Oct to Dec)	Fourth Quarter (Jan to March)	**Total Meetings**
13.07.2021	24.09.2021	-	28.03.2022	**3 (Three)**

C. Corporate Social Responsibility Committee-

First Quarter (April to June)	Second Quarter (July to Sept)	Third Quarter (Oct to Dec)	Fourth Quarter (Jan to March)	**Total Meetings**
	24.09.2021	-	-	**1 (One)**

3. Attendance of Directors in the Board Meeting:

Name of the Director	Held	Attended
Mr. Rohan Sikri	8	8
Mr. Rohit Khandelwal (resigned with effect from July 13, 2021)	3	3
Mr. Varun Gopinath	8	6
Mr. Rajesh Jogi	8	8
Mr. Tariq Chinoy	8	8

4. Attendance of Directors in the Committee Meetings:

Name of the Director	Audit Committee		Nomination and Remuneration Committee		Corporate Social Responsibility Committee	
	Held	Attended	Held	Attended	Held	Attended
Mr. Rohan Sikri	4	4	3	3	-	-
Mr. Rohit Khandelwal (resigned with effect from July 13, 2021)	-	-	-	-	-	-
Mr. Varun Gopinath	-	-	-	-	1	1
Mr. Rajesh Jogi	4	4	3	3	1	1
Mr. Tariq Chinoy	4	4	3	3	1	1

On behalf of the Board of Directors
For Xander Finance Private Limited

Rajesh Jogi
Director
DIN: 03341036

Tariq Chinoy
Director
DIN: 08830666

XANDER FINANCE PRIVATE LIMITED MUMBAI

Date: September 06, 2022
Place: Mumbai

ANNEXURE V TO DIRECTORS' REPORT

Report on Corporate Social Responsibility ('CSR')

1. A Brief outline on CSR Policy of the Company.

   In terms of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has adopted a CSR policy which helps the Company to achieves its business goals and objectives with a due consideration to community's economic, environmental and social aspirations through its services, conduct and initiatives, so as to promote sustained growth for the society and community.

   The CSR policy inter-alia includes the following:

   - CSR Committee and its composition;
   - Areas / Categories of CSR projects or programs which the Company can undertake (within the purview of Schedule VII of the Companies Act, 2013);
   - Annual allocation of CSR activities;
   - Implementation process;
   - Role and Responsibility of the Board and CSR Committee;
   - Monitoring and Reporting framework

2. The Composition of the CSR Committee:

   The Company has constituted a Corporate Social Responsibility Committee. In terms of Section 135 of the Companies Act, 2013, the Corporate Social Responsibility Committee of the Company constitutes of the following Members:

   - Mr. Rajesh Jogi
   - Mr. Tariq Chinoy
   - Mr. Varun Gopinath

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Rajesh Jogi	Nominee Director	1	1
2.	Mr. Tariq Chinoy	Nominee Director	1	1
3.	Mr. Varun Gopinath	Director	1	1

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

The composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the Company's website i.e https://www.xanderfinance.com/.

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

Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: **Not Applicable**

Sl. No.	**Financial Year**	**Amount available for set-off from preceding financial years (in Rs)**	**Amount required to be setoff for the financial year, if any (in Rs)**
1.	-	-	-
2.	-	-	-
3.	-	-	-
	Total	-	-

6. Average net profit of the company as per section 135(5): Rs. 54,03,16,704/-

7. (a) Two percent of average net profit of the company as per section 135(5): Rs. 1,08,06,335/-

   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

   (c) Amount required to be set off for the financial year, if any: Nil

   (d) Total CSR obligation for the financial year (7a+7b- 7c): Rs. 1,08,06,334/-

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

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
1,08,06,335/-	-	-	-	-	-

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration Number
-	-	-	-	-	-	-	-	-	-	-	-	

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in Rs.)	Mode of Implementation - Direct (Yes /No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
1.	Promotion of education by granting scholarships to students	promoting education among children	No	New Delhi	Delhi	Rs.1,08,06,335/-	No	Implementing Agency- International Foundation for Research and Education	

(d) Amount spent in Administrative Overheads: Not Applicable

(e) Amount spent on Impact Assessment, if applicable: Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 1,08,06,335/-

(g) Excess amount for set off, if any: Nil

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	Rs. 1,08,06,335/-
(ii)	Total amount spent for the Financial Year	Rs. 1,08,06,335/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years: **NOT APPLICABLE**

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

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl.No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing.

						Rs).		
-	-	-	-	-	-	-	-	-

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

(a) Date of creation or acquisition of the capital asset(s) – Not Applicable
(b) Amount of CSR spent for creation or acquisition of capital asset – Not Applicable

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. – Not Applicable

(d) Details of the capital asset(s) created or acquired (including complete address and location of the capital asset) – Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) – Not Applicable

On behalf of the Board of Directors
For Xander Finance Private Limited

Rajesh Jogi
Director
DIN: 03341036

Tariq Chinoy
Director
DIN: 08830666

Date: September 06, 2022
Place: Mumbai

Ravi Rajan & Co. LLP
Chartered Accountants

32 YEARS

Independent Auditor's Report

To the Members of Xander Finance Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of Xander Finance Private Limited, ("theCompany"), which comprises the Balance Sheet as at March 31, 2022, 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 Standalone 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 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 accounting principles generally acceptedin India, of the state of affairs of the Company as at March 31, 2022, its profit/loss 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 Standalone Financial Statements in accordance with the Standards on Auditing (SAs), specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Statements" section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Instituteof Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Companies 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 auditopinion on the Standalone Financial Statements.

Emphasis of Matter

We draw attention to **Note No. 53** of the accompanying Standalone Financial Statements which describe the management's evaluation of impact of uncertainties related to COVID-I9 pandemic and its consequential effect,if any, on the carrying value of assets of the Companies as at March 31, 2022 and the operations of the Company.

Our opinion is not modified in respect of above matter.

Ravi Rajan & Co. LLP
New Delhi

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements for the financial year ended March 31, 2022. These matters were addressedin 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report.

We have fulfilled the responsibilities described in the "Auditor's responsibilities for the audit of the StandaloneFinancial Statements" section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanyingStandalone Financial Statements.

S. No.	Key Audit Matters	How the matter was addressed in our audit
1	**Impairment of Loans and Advances (Expected Credit Loss Allowance)** Since the loans and advances form a major portion of the Company's assets, and due to the significance of the judgments used in classifying loans and advances into various stages as stipulated in Indian Accounting Standard (IND AS) 109 and the management estimation of the related impairment provisions, this is considered to be a key audit matter. The Expected credit loss ('ECL') approach involves an estimation of probability of loss on the Loans over their life, considering reasonable and supportable information about past events, current conditions and forecasts of future economic conditions which could impact the credit quality of the Company's financial assets. The recognition and measurement of impairment of loans and advances involve significant management judgement in respect of the following matters: **a.** Defining the thresholds for significant increase in credit risk and for 'default' definition i.e. the number of days-past-due	Our audit procedures included, among others, the following: **i.** Evaluated appropriateness of the impairment principles based on the requirements of Ind AS 109 read with RBI Circular DOR (NBFC)CC.PD.No.109/22.10.106/2019-20 on Implementation of Indian Accounting Standards, Expected Credit Loss Policy, our business understanding and industry practice; **ii.** Tested the ECL model, including assumptions and underlying computation. **iii.** Evaluated the reasonableness of the Management estimates by understanding the process of ECL estimation and tested the controls around data extraction and validation **iv.** Tested the rating Model to evaluate the correctness of rating assigned **v.** Tested the criteria for staging of loans based on their past-due status to check compliance with requirement of Ind AS 109 **vi.** Tested a sample of performing (stage 1) loans to assess whether any loss indicators were present requiring them to be classified under stage 2 or 3 and vice versa.

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	(DPD) post which a particular loan account will be considered either to have a significant increase in its credit risk or having defaulted. **b.** Where relevant, segregating the loan portfolio under homogenous pools whereby the loans grouped in a particular category can be expected to demonstrate similar credit characteristics such that their probability of default can be determined on a collective basis. **c.** Consideration of probability of default / Loss given default based on Rating Model Management exercises **d.** Management overlay for macroeconomic factors and estimation of their impact on the credit quality. **e.** Consideration of forward looking macro-economic factors.	**vii.** Tested on a sample basis, the Exposure at Default used in the ECL calculation.
2	**Fair valuation of Security Receipts** The Company has entered into three transactions wherein it has transferred five loan accounts to an Asset Reconstruction Company (ARC) on a without recourse basis and in lieu of transfer, has subscribed to the Security Receipts to the extent of 85% of the total consideration. Investment in Security Receipts of ARCs represent significant amount in terms of size of the Balance Sheet. Security Receipts are classified at "Fair Value Through Profit & Loss" (FVTPL) by the Company as the contractual cash flows of the Security Receipts do not represent for Solely for Principal and Interest (SPPI) on amount outstanding under the basic lending arrangement.	Our audit procedures included, among others, the following: **i.** Evaluated appropriateness of the Fair Value of Security Receipts based on the valuation principles as laid in Master Direction Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021, **ii.** Read the RBI Circular DOR (NBFC)CC.PD.No.109/22.10.106/2019-20 on Implementation of Indian Accounting Standards, Expected Credit Loss Policy, our business understanding and industry practice to evaluate the correctness of the ECL adopted by the Company.

We have determined that there are no other key audit matters to communicate in our report.

Ravi Rajan & Co LLP
New Delhi

Information Other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the Other Information. The Other Information comprisesthe information included in the Directors' Report, but does not include the Standalone Financial Statements andour auditor's report thereon.

Our opinion on the Standalone Financial Statements does not cover the Other Information and we do not expressany form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the Other Information and, in doing so, consider whether such Other Information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is any material misstatement in thisOther Information, we are required to report that fact. We have not come across any such findings and hence there is nothing to report in this regard.

Responsibility of Management and those Charge with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act,2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, 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) 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 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 the 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 Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using thegoing 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a wholeare free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includesour 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 expectedto influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

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New Delhi

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 risk of material misstatement of the Standalone Financial Statements, whetherdue to fraud or error, design and perform audit procedures responsive to those risk, 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 control 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 Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

e. Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlyingtransactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were ofmost significance in the audit of the Standalone Financial Statements for the year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public discloser about the matters 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.

Ravi Rajan & Co. LLP
New Delhi
Chartered Accountants

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, 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 purposes of our audit;

   b) In our opinion, proper books of account as required by law have been kept by the Company so far asit 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 Changes in Equity dealt with bythis Report are in agreement with the books of account;

   d) In our opinion, the aforesaid Standalone 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 representations received from the directors of the Company as on March31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March31, 2022 from being appointed as a director in terms of Section 164(2) of the Act;

   f) With respect to the adequacy of the Internal Financial Controls over Financial Reporting of the Company with reference to these Standalone 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, 2022;

   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11of 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 litigations on its financial position in its Standalone Financial Statements. **Refer Note No. 40** to the Standalone Financial Statements;

      ii. The Company did not have any long-term contracts including derivative contracts for whichthere 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. (i) The Management has represented that, to the best of it's knowledge and belief, no funds

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have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any mannerwhatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or

b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The Management has represented, that, to the best of it's knowledge and belief, no fundshave been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

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.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to my/our notice that has caused us to believe that the representations under sub-clause d (i) and d (ii) contain any material mis statement.

v. The interim dividend declared and paid by the Company during the year and until the dateof this audit report is in accordance with section 123 of the Companies Act 2013.

For **RAVI RAJAN & CO. LLP**
Chartered Accountants
(Firm's Registration No. 009073N/N500320)

Jayanth. A
Partner
(Membership No.231549)
Place: Bangalore,
Date: 27th May, 2022
UDIN: 22231549AJSIJY8704

Annexure "A" referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report on even date on the Standalone Financial Statements to the Members of Xander Finance Private Limited ('the Company')

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

(B) The Company has maintained proper records showing full particulars of Intangible Assets.

(b) According to the explanations given to us, all the Property, Plant and Equipment have been physically verified by the management at reasonable intervals having regard to the size of the Company and the nature ofits assets and no material discrepancy was noticed on such verification as compared to book records.

(c) The Company does not own any Immovable Property and accordingly, reporting under clause 3(i)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on the basis of our examination of the recordsof the Company, the company has not revalued its Property, Plant and Equipment (including Right of Use assets)during the year and accordingly reporting under clause 3(i)(d) of the Order is not applicable.

(e) According to the information and explanations given to us and on the basis of our examination of the recordsof the Company, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) The Company's business does not involve inventories and, accordingly, the requirements under clause 3(ii)(a) and (b) of the Order are not applicable to the Company and hence not been commented upon.

(iii) According to the information and explanations given to us and on the basis of our examination of the recordsof the Company, during the year, the Company has made investments in Security Receipts issued by Asset Restructuring Companies. During the year, the Company has not provided any guarantee or security or granted any advances in the nature of loans (except in the normal course of Business), secured or unsecured, to companies,firms, limited liability partnerships or any other parties during the year.

(a) The Company's principal business is to give loans and accordingly, the requirements under paragraph 3(iii)(a) of the Order is not applicable to the Company

(b) According to the information and explanations given to us and based on the audit procedures performed byus, we are of the opinion that the investment made by the Company in the form of Security Receipts issued by Asset Restructuring Companies and Investment in its Subsidiary are not prejudicial to the interest of the Company. The Company has not given security or provided guarantee to any of the entity.

(c) According to the information and explanations given to us and on the basis of our examination of the recordsof the Company, in the case of loans given, the repayments are regular except two (2) accounts which have beenclassified as NPA during the year with total Loan outstanding balance of Rs. 15.45 Crores as on 31st March, 2022

(d) According to the information and explanations given to us and on the basis of our examination of the

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recordsof the Company, the company is taking reasonable steps for recovery of the principal and interest.

(e) The Company's principal business is to give loans and accordingly, the reporting under clause 3(iii)(e) of the Order is not applicable to the Company.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans either repayable on demand or without specifying any terms or period of repayment.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) The Company has not accepted deposits within the meaning of Section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). during the year and therefore, reporting underclause (v) of the Order is not applicable to the Company.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenanceof cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Income Tax, Sales Tax, Goods and Services Tax, Value Added Tax and other material statutory dues applicableto it with the appropriate authorities. The provisions relating to Duty of Excise, Employees' State Insurance, Duty of Custom and Cess are not applicable to the Company.

(b) There were no undisputed amounts payable in respect of Provident Fund, Income Tax, Sales Tax, Service Tax, Value Added Tax, Goods and Services Tax, and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable. The provisions relating to duty of Excise, Employees' State Insurance, Duty of Custom and Cess are not applicable to the Company.

(c) Details of dues of Income Tax and Goods and Services Tax which have not been deposited as at March 31,2022 on account of dispute are given below:

Sr. No.	Name of the Statute	Nature of dues	Financial Year	Amount of Demand (Rs.)	Forum where dispute is pending
1	Finance Act, 1994 (Service Tax)	Service Tax Demand on Corporate Guarantee and Option Fees	2015-16	23,63,500	Commissioner of Central Excise and CGST, Commissionerate, Mumbai
2	Income Tax Act, 1961	Income tax	2018-19	1,64,23,408	Commissioner of Income Tax Appeals
3	Income Tax Act, 1961	Income tax	2018-19	5,66,795	Application for rectification filed under section 154 of Income Act, 1961 to Jurisdictional Assessing Officer.

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(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during theyear

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, reporting under clause 3(ix)(c) of the Order is not 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) 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 as defined under the Companies Act, 2013. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, reporting under clause 3(ix)(f) of the Order is not applicable.

(x) (a) According to the information and explanations given to us, the Company has not raised by way of initial public offer or further public offer (including debt instruments) and has also not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and 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 recordsof the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 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) We have taken into consideration the whistle blower complaints received, if any, by the Company during the year while determining the nature, timing and extent of our audit procedures.

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New Delhi
Chartered Accountants

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, reporting under clause 3(xvi)(d) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with relatedparties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business

(a) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company

(xvi) (a) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained the registration.

(b) The company is in the business of and has carried on the business of Non- Banking Financial activities during with valid Certificate of Registration (CoR) obtained from the Reserve Bank of India as per the Reserve Bank of India Act, 1934

(c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and accordingly, reporting under clause 3(xvi)(c) of the Order is not applicable.

(d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly, reporting under clause 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has incurred cash losses of Rs. 4.38 crores in the FY 2021-22 and there was no cash loss in the immediately preceding financial year i.e. FY 2020-21. The figure of cash loss has been worked out as mentioned below:

Figures in crores (FY 2021-22)	
Profit for the year	13.36
Loss on fair valuation of Security Receipts	11.41
Reversal of Impairment Gain	(31.16)
Depreciation, amortization and impairment	2.02
Cash Profit/(Loss)	**(4.38)**

(xviii) During the year, there has been resignation of the statutory auditors. To the best of our knowledge, therewere no any issues, objections or concerns raised by the outgoing auditors.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has

New Delhi

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 theaudit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) In terms of Section 135 of Companies Act, 2013, Company has spent the entire requisite amount on Corporate Social Responsibilities as on 31st March 2022. Accordingly, reporting under clause 3(xx)(a) and (b) of the Order is not applicable.

(xxi) There have been no qualifications or adverse remarks in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements. Accordingly, the requirements under clause 3(xxi) of the Order are not applicable to the Company.

For **RAVI RAJAN & CO. LLP**
Chartered Accountants
(Firm's Registration No. 009073N/N500320)

Ravi Rajan & Co. LLP New Delhi Chartered Accountants

Jayanth. A
Partner
(Membership No.231549)
Place: Bangalore,
Date: 27th May, 2022
UDIN: 22231549AJSIJY8704

Annexure "B" in referred paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report on even date on the Standalone Financial Statements to the Members of Xander Finance Private Limited

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

We have audited the Internal Financial Controls over Financial Reporting of Xander Finance Private Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Standalone Financial Statements ofthe 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 Controlsover 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 operatingeffectively 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's Internal Financial Controls over Financial Reporting with reference to these Standalone Financial Statements based on our audit. We conducted our auditin 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 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 FinancialControls 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 with reference to these Standalone Financial Statements, assessing the risk that a material weaknessexists, and testing and evaluating the design and operating effectiveness of internal control based on the assessedrisk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of materialmisstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's Internal Financial Controls system over Financial Reporting with reference tothese Standalone Financial Statements.

Meaning of Internal Financial Controls Over Financial Reporting with Reference to these Standalone Financial Statements

Ravi Rajan & Co. LLP * New Delhi * Chartered Accountants

A Company's Internal Financial Controls over Financial Reporting with reference to these Standalone FinancialStatements is a process designed to provide reasonable assurance regarding the reliability of Financial Reportingand the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's Internal Financial Controls over Financial Reporting with reference to these Standalone Financial Statements includes those policies and procedures that (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositionsof 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 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 Financial Statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting with Reference to these Standalone Financial Statements

Because of the inherent limitations of Internal Financial Controls over Financial Reporting with reference to these Standalone 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 over Financial Reporting with reference to these Standalone Financial Statements to future periods are subject to the risk that the Internal Financial Controls over Financial Reporting with reference to these Standalone Financial Statements may become inadequate because of changesin 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, adequate Internal Financial Controls System over financial reporting with reference to these Standalone Financial Statements and such Internal Financial Controls over Financial Reporting with reference to these Standalone Financial Statements were operating effectively as at March 31, 2022, based on the Internal Control over Financial Reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **RAVI RAJAN & CO. LLP**
Chartered Accountants
(Firm's Registration No. 009073N/N500320)

Ravi Rajan & Co. LLP New Delhi Chartered Accountants

Jayanth. A
Partner
(Membership No.231549)
Place: Bangalore,
Date: 27th May, 2022
UDIN: 22231549AJSIJY8704

Xander Finance Private Limited
Standalone Balance Sheet as at 31st March 2022
(All amounts are in Indian Rupees unless otherwise stated)

Particulars	Notes	As at 31 March 2022	As at 31 March 2021
I ASSETS			
1 Financial assets			
Cash and cash equivalents	3	346,372,516	939,672,585
Bank balance other than cash and cash equivalents	4	94,361,797	704,763,934
Loans	5	2,493,878,435	4,751,428,692
Investments	6	1,984,741,928	1,475,800,000
Other financial assets	7	55,927,410	10,274,300
		4,975,282,086	**7,881,939,511**
2 Non-financial assets			
Current tax assets (net)	8	220,498,011	161,375,224
Deferred tax assets (net)	9	79,527,011	137,262,916
Property, plant and equipment	10	47,236,661	66,785,224
Intangible assets	11	224,975	240,519
Other non financial assets	12	375,770,726	599,678,966
		723,257,384	**965,342,849**
Total Assets		**5,698,539,470**	**8,847,282,360**
II LIABILITIES AND EQUITY			
1 Financial liabilities			
Payables			
Trade payables	13		
(i) total outstanding dues of micro enterprises and small enterprises			
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		3,831,640	3,998,364
Debt securities	14	804,038,814	2,650,506,270
Borrowings (other than debt securities)	15	499,042,066	571,114,469
Other financial liabilities	16	49,392,439	137,998,234
		1,356,304,959	**3,363,617,337**
2 Non-financial liabilities			
Current tax liabilities (net)	17	724,674	724,674
Provisions	18	4,415,919	9,587,972
Other non-financial liabilities	19	3,960,364	23,281,359
		9,100,957	**33,594,005**
3 Equity			
Equity share capital	20	1,480,502,160	1,480,502,160
Other equity	21	2,852,631,394	3,969,568,858
		4,333,133,554	**5,450,071,018**
Total Liabilities and Equity		**5,698,539,470**	**8,847,282,360**
Summary of significant accounting policies	2.3		
The accompanying notes are an integral part of the financial statements			

As per our report of even date

For RAVI RAJAN & CO. LLP
ICAI Firm's Registration number: 009073N/N500320
Chartered Accountants

per Jayanth A Iyer
Partner
Membership No. 231549

Place: Bangalore
Date:- May 27, 2022

For and on behalf of the Board of Directors of
Xander Finance Private Limited

Tariq Chinoy
Director
DIN No.: 08830666

Rajesh Jogi
Director
DIN No.: 03341036

Hinal Shah
Company Secretary

Place: Mumbai
Date:- May 27, 2022

Xander Finance Private Limited
Standalone Statement of Profit and Loss for the period ended 31st March 2022
(All amounts are in Indian Rupees unless otherwise stated)

	Particulars	Notes	Year ended 31 March 2022	Year ended 31 March 2021
	Revenue from operations			
(i)	Interest income	22	560,504,207	1,339,033,039
(ii)	Other operating income	23	37,500,000	241,344
(iii)	Net gain on fair value changes	24	17,221,360	1,564,376
(I)	**Total revenue from operations**		**615,225,567**	**1,340,838,759**
(II)	Other income	25	44,679,786	65,636,643
(III)	**Total income (I + II)**		**659,905,353**	**1,406,475,402**
	Expenses			
(i)	Finance cost	26	227,821,745	581,863,543
(ii)	Net loss on fair value changes	27	114,086,734	52,884,474
(iii)	Net loss on derecognition of financial instruments	28	168,789,081	251,888,969
(iv)	Impairment of financial assets	29	(311,623,187)	268,892,324
(v)	Employee benefit expenses	30	53,060,658	72,812,189
(vi)	Depreciation, amortization and impairment	31	20,157,723	20,391,623
(vii)	Other expenses	32	195,917,044	99,278,431
(IV)	**Total expenses (IV)**		**468,209,798**	**1,348,011,553**
(V)	**Profit before tax**		**191,695,555**	**58,463,849**
(VI)	Tax expense:			
	(1) Current tax		-	96,400,000
	(2) Deferred tax		58,075,554	(77,385,489)
	(3) Earlier years adjustments		-	-
(VII)	**Profit for the year**		**133,620,001**	**39,449,338**
(VIII)	**Other comprehensive income**			
A	(i) Items that will not be classified to profit or loss			
	- Actuarial gain on gratuity valuation		(1,349,529)	2,095,771
	Tax on above		339,649	(527,464)
	Subtotal (A)		(1,009,880)	1,568,307
B	(i) Items that will be classified 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)		(1,009,880)	1,568,307
(IX)	**Total comprehensive income for the year**		**132,610,121**	**41,017,645**
	Earnings per equity share (nominal value of equity share Rs. 10 each)	32		
	Basic		0.90	0.27
	Diluted		0.90	0.27
	Summary of significant accounting policies	2.3		
	The accompanying notes are an integral part of the financial statements			

As per our report of even date

For RAVI RAJAN & CO. LLP
ICAI Firm's Registration number: 009073N/N500320
Chartered Accountants

per Jayanth A Iyer
Partner
Membership No. 231549

Place: Bangalore
Date:- May 27, 2022

For and on behalf of the Board of Directors of
Xander Finance Private Limited

Tariq Chinoy
Director
DIN No.: 08830666

Rajesh Jogi
Director
DIN No.: 03541036

Hinal Shah
Company Secretary

Place: Mumbai
Date:- May 27, 2022

Xander Finance Private Limited
Standalone Cash Flow Statement for the year ended 31st March 2022
(All amounts are in Indian Rupees unless otherwise stated)

Particulars		Year ended 31 March 2022	Year ended 31 March 2021
Cash flow from Operating activities			
Profit before tax as per the statement of profit and loss		190,346,026	60,559,620
Adjustment for			
Expected credit loss on advances		(311,623,187)	268,892,324
Depreciation and amortisation		20,157,723	20,391,623
Interest on fixed deposits		(28,241,323)	(65,529,573)
Interest income-unwinding of security deposit		(977,425)	(931,003)
Interest on lease liability		4,621,753	5,769,526
Loss on sale of property, plant and equipment		105,892	38,076
Net gain/loss on fair value changes		108,966,282	(1,564,376)
Employee Stock Option Plan (ESOP) reserve		(3,759)	(7,524,981)
Operating profit before working capital changes		**(16,248,018)**	**280,501,236**
Movement in working capital			
Increase / (Decrease) in other financial liabilities		(73,766,089)	59,014,111
Increase / (Decrease) in other non- financial liabilities		(19,320,994)	14,783,148
Increase / (Decrease) in trade payables		(166,724)	2,870,362
Increase / (Decrease) in provisions		(5,172,053)	1,044,320
(Increase) / Decrease in loans		2,569,173,444	4,498,926,967
(Increase) / Decrease in financial assets		565,352,041	(704,004,692)
(Increase) / Decrease in other non- financial assets		223,882,650	(589,304,339)
Cash Used in operations		**3,250,982,275**	**3,288,529,877**
Less: Direct taxes paid (Net of refunds)		(59,122,787)	(105,429,600)
Net Cash from/ (used) in operating activities	**A**	**3,184,611,470**	**3,458,401,513**
Cash flow from Investing activities			
Purchase of property, plant and equipment including capital work in progress and capital advances		(699,507)	(575,160)
Sale of investments		18,964,994	55,375,359
Purchase of investments		(636,873,205)	(899,610,983)
Interest on fixed deposits		28,241,323	65,529,573
Net Cash from /(used) for Investing activities	**B**	**(590,366,395)**	**(779,281,211)**
Cash flow from Financing activities			
Proceeds from debt securities (net)		(1,846,467,456)	896,558,691
Proceeds from borrowings other than debt securities (net)		(72,072,403)	(4,337,963,042)
Payment of lease liability including interest		(19,461,459)	(18,623,406)
Payment of interim dividend		(1,249,543,826)	-
Payment of final dividend		-	(155,452,729)
Net Cash from/ (used) in Financing activities	**C**	**(3,187,545,144)**	**(3,615,488,486)**
Net increase in cash and cash equivalents (A)+(B)+(C)		(593,300,069)	(936,360,184)
Cash and Cash Equivalents at the beginning of the year		939,672,585	1,876,032,769
Cash and Cash Equivalents at the end of the year		**346,372,516**	**939,672,585**
Components of Cash and Cash Equivalents at the end of the year:			
- Cash in hand		29,423	1,734
- Cheques in hand		-	2,194,325
- Balance with banks			
- in current accounts		9,923,736	937,476,526
- in fixed deposits		336,419,357	-
		346,372,516	939,672,585
Summary of significant accounting policies	2.3		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For RAVI RAJAN & CO. LLP
ICAI Firm's Registration number: 009073N/N500320
Chartered Accountants

per Jayanth A Iyer
Partner
Membership No. 231549

Place: Bangalore
Date:- May 27, 2022

For and on behalf of the Board of Directors of
Xander Finance Private Limited

Tariq Chinoy
Director
DIN No.: 00830466

Rajesh Jogi
Director
DIN No.: 03341036

Hinal Shah
Company Secretary

Place: Mumbai
Date:- May 27, 2022

Xander Finance Private Limited
Statement of changes in equity for the year ended 31st March, 2022
(All amounts are in Indian Rupees unless otherwise stated)

A. Equity Share Capital

Balance at the beginning of the reporting period	Issued during the period	Reductions during the period	Balance at the end of the reporting period
1,480,502,160	-	-	1,480,502,160

B. Other equity

Particulars	Reserves and Surplus					
	Statutory Reserve	ESOP Reserve	Share Premium Account	Retained Earnings	Other Comprehensive Income	Total
Opening balance as at March 31, 2020	786,648,500	9,658,996	1,518,138,907	1,808,712,332	528,987	4,091,328,503
Profit for the year	-	-	-	79,449,334	-	79,449,334
Actuarial gain/(loss) on gratuity valuation	-	-	-	-	1,568,307	1,568,307
Dividend paid including dividend distribution tax	-	-	-	(155,452,729)	-	(155,452,729)
Fair value of Employee Stock Option Plan (ESOP)	-	(7,524,981)	-		-	(7,524,981)
Transfer to/from retained earnings	7,890,000	-	-	(7,890,000)	-	-
Closing balance as at March 31, 2021	794,538,500	2,134,015	1,518,138,907	1,682,868,143	2,097,294	3,999,568,858
Opening balance as at March 31, 2021	794,538,500	2,134,015	1,518,138,907	1,682,868,143	2,097,294	3,999,568,858
Profit for the year	-	-	-	133,620,001	-	133,620,001
Actuarial gain/(loss) on gratuity valuation	-	-	-	-	(1,009,880)	(1,009,880)
Dividend paid	-	-	-	(1,249,543,826)	-	(1,249,543,826)
Fair value of Employee Stock Option Plan (ESOP)	-	(3,759)	-	-	-	(3,759)
Transfer to/from retained earnings	26,725,000	-	-	(26,725,000)	-	-
Closing balance as at March 31, 2022	791,063,500	2,130,256	1,518,138,907	540,211,318	1,087,414	2,852,621,294

Summary of significant accounting policies — Note 2.3

The accompanying notes are an integral part of the financial statements

As per our report of even date

For RAVI RAJAN & CO. LLP
ICAI Firm's Registration number: 009073N/N500320
Chartered Accountants

per Jayanth A Iyer
Partner
Membership No. 231549

Place: Bangalore
Date: May 27, 2022

For and on behalf of the Board of Directors of
Xander Finance Private Limited

Tariq Chinoy
Director
DIN No.: 08830666

Rajesh Jogi
Director
DIN No.: 00341006

Hinal Shah
Company Secretary

Place: Mumbai
Date: May 27, 2022

1. Corporate Information

Xander Finance Private Limited ('the Company') was incorporated on January 10, 1997 under the provisions of the Companies Act, 1956 as a private limited company. The Company is registered with the Reserve Bank of India ('the RBI') as a non-deposit accepting systemically important non-banking financial company or NBFC-ND-SI under the Reserve Bank of India Act, 1934. The Company is engaged in the business of providing loans to corporates and other activities associated with lending.

The audited financial statements were subject to review and recommendation of Audit Committee and approval of Board of Directors. On May 27, 2022, Board of Directors of the Company approved and recommended the audited financial statements for consideration and adoption by the shareholders in its Annual General Meeting.

2. Basis of preparation

The financial statements of the Company have been prepared and presented in the format prescribed in the Division III of Schedule III to the Companies Act, 2013 ("the Act") applicable for Non-Banking Finance Companies ("NBFC") and in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time), the Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 ('the NBFC Master Directions') and notification for Implementation of Indian Accounting Standard vide circular RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020 ('RBI Notification for Implementation of Ind AS') issued by RBI.

The preparation of financial statements requires the management to make judgements, accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the Company are discussed in Note 2.3.18 - Significant accounting judgements, estimates and assumptions.

The financial statements are presented in Indian Rupees (INR) except when otherwise indicated.

2.1. Presentation of financial statements

The financial statements of the Company are presented in order of liquidity and in accordance with Schedule III (Division III) of the Companies Act, 2013 applicable to NBFCs, as notified by the Ministry of Corporate Affairs (MCA). An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non–current) is presented in Note 38. Financial assets and financial liabilities are generally reported on a gross basis except when, there is an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event and the parties intend to settle on a net basis in the following circumstances:

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

2.2. Statement of compliance

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

2.3. Significant accounting policies

2.3.1 Revenue from operations

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable.

Revenue includes the following:

(i) Interest Income

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

The EIR in case of a financial asset is computed

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

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

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

(ii) Net gain on Fair value changes

Any differences between the fair values of financial assets (including investments) classified as fair value through the profit or loss ("FVTPL") (refer Note 24 and Note 27), held by the Company on the balance sheet date is recognised as an unrealised gain / loss. In case there is a net gain in the aggregate, the same is recognised in "Net gain on fair value changes" under Revenue from operations and if there is a net loss the same is disclosed under "Expenses" in the statement of Profit and Loss.
Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL and debt instruments measured at FVOCI is recognised in net gain / loss on fair value changes.

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

(iii) Other operational revenue

Other operational revenue represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

2.3.2 Financial Instruments

Financial assets and liabilities can be termed as financial instruments.

2.3.2.1 Classification of financial instruments

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

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

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

For assets measured at fair value, gains and losses will either be recorded in Statement of profit and loss or other comprehensive income (OCI).

Financial Assets

(i) Financial assets measured at amortised cost

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

Financial assets with contractual terms that give rise to cash flows on specified dates and represent solely payments of principal and interest on the principal amount outstanding; and are held within a business model whose objective is achieved by holding to collect contractual cash flows are measured at amortised cost.
These financial assets are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or a financial liability.

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

Debt instruments

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

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

These debt instruments are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at fair value. Gains and losses arising from changes in fair value are included in other comprehensive income (a separate component of equity). Impairment losses or reversals, interest revenue and foreign exchange gains and losses are recognised in profit and loss. Upon disposal, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the statement of profit and loss. As at the reporting date the Company does not have any financial instruments measured at fair value through other comprehensive income.

Equity instruments

Investment in equity instruments are generally accounted for as at fair value through the profit and loss account unless an irrevocable election has been made by management to account for at fair value through other comprehensive income Such classification is determined on an instrument-by-instrument basis.

Amounts presented in other comprehensive income for equity instruments are not subsequently transferred to profit or loss. Dividends on such investments are recognised in profit or loss.

(iii) Financial assets measured at fair value through statement of profit or loss

Items at fair value through profit or loss comprise:

a) Investments (including Security receipts and equity shares) -;
b) Items specifically designated as fair value through profit or loss on initial recognition; and
c) debt instruments with contractual terms that do not represent solely payments of principal and interest.

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

Financial instruments held for trading

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

Financial Liabilities

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

(i) Debt securities and other borrowed funds

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

(ii) Undrawn loan commitments

Undrawn loan commitments are commitments under which, over the duration of the commitment, the Company is required to provide a loan with pre-specified terms to the customer. Undrawn loan commitments are in the scope of the ECL requirements. As at the reporting date the Company does not have any undrawn loan commitments.

2.3.3 Derecognition of financial assets and financial liabilities

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

The Company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes unless the new loan is deemed to be credit-impaired at the origination date. If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Company records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

2.3.3.2. Derecognition of financial assets other than due to substantial modification

A financial asset or a part of financial asset is derecognised when the rights to receive cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition. The Company has transferred the financial asset if, and only if, either:

i. The Company has transferred its contractual rights to receive cash flows from the financial asset; or

ii. It retains the rights to the cash flows but has assumed an obligation to pay the received cash flows.

A transfer only qualifies for derecognition if either:

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

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer. When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

2.3.3.3 Derecognition of Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in statement of profit or loss.

2.3.3.4. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet only if there is an enforceable legal right to offset the recognised amounts with an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

2.3.3.5. Investments in subsidiaries

Investment in subsidiaries is recognised at cost and are not adjusted to fair value at the end of each reporting period as allowed by Ind AS 27 'Separate financial statement'. Cost of investment represents amount paid for acquisition of the said investment.

The Company assesses at the end of each reporting period, if there are any indications that the said investment may be impaired. If so, the Company estimates the recoverable value/ amount of the investment and provides for impairment, if any i.e. the deficit in the recoverable value over cost.

2.3.4 Impairment of financial assets

Overview of the ECL principles

The Company recognises loss allowances for expected credit losses on its financial assets (including non-fund exposures) that are measured at amortised costs or at fair value through other comprehensive income account.

The Company applies a three-stage approach to measuring expected credit losses (ECLs) for the following categories of financial assets that are not measured at fair value through profit or loss:

i. debt instruments measured at amortised cost and fair value through other comprehensive income;
ii. loan commitments; and
iii. financial guarantee contracts.

Equity instruments are not subject to impairment under Ind AS 109.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss. Lifetime ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both Lifetime ECLs and 12-month ECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments. The Company has classified its loan portfolio into Corporate lending and Real estate lending.

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

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

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

Stage 2
All exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired are classified under this stage. More than 1 month due is considered as significant increase in credit risk. Further, one-time restructuring of loan accounts allowed by RBI vide circular resolution framework for COVID-19 related stress dated August 6, 2020 to the extent having no overdues has been assessed as an indicator of significant increase in credit risk on a conservative basis and accordingly such loan accounts have been classified under stage 2 upon their restructuring. These loans shall be upgraded to Stage 1 only after they demonstrate good repayment behaviour over a period of time.

Stage 3
All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified in this stage. For exposures that have become credit impaired, a lifetime ECL is recognized and interest revenue is calculated by applying the effective interest rate to the amortized cost (net of provision) rather than the gross carrying amount. The Company shall classify all advances exceeding 90 days default under this category.

Credit-impaired financial assets

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

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

i. Significant financial difficulty of the borrower or issuer;
ii. A breach of contract such as a default or past due event;
iii. The restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
iv. The disappearance of an active market for a security because of financial difficulties.

Loan commitments

When estimating lifetime ECL, for undrawn loan commitments, the Company estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down.

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

Probability of Default (PD) - The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period if the facility has not been previously derecognised and is still in the portfolio. The concept of PD is further explained in Note 46

Exposure at Default (EAD)- The Exposure at Default is an estimate of the exposure at a future default date. The concept of EAD is further explained in Note 46

Loss Given Default (LGD) - The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD. The concept of LGD is further explained in Note 46.

2.3.5 Collateral valuation

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

2.3.6 Write-offs

The Company reduces the gross carrying amount of a financial asset when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

2.3.7 Determination of fair value

On initial recognition, all the financial instruments are measured at fair value. For subsequent measurement, the Company measures certain categories of financial instruments at fair value on each balance sheet date.

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

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

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

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

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

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

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

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

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

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

Rajan & Co. LLP New Delhi

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

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

2.3.8 Expenses

2.3.8.1 Finance costs

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

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

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

Interest expense includes issue costs that are initially recognized as part of the carrying value of the financial liability and amortized over the expected life using the effective interest method. These include fees and commissions payable to advisers, processing fees.

2.3.8.2 Retirement and other employee benefits

(i) Short term employee benefit

All employee benefits including short term compensated absences and statutory bonus/ performance bonus/incentives payable wholly within twelve months of rendering the service are classified as short-term employee benefits and are charged to the Statement of Profit and Loss of the year.

(ii) Post-employment employee benefits

a) Defined contribution schemes

Retirement/ Employee benefits in the form of Provident Fund is considered as defined contribution plan and contributions to the respective funds administered by the Government are charged to the Statement of Profit and Loss of the year when the contribution to the respective funds are due

b) Defined Benefit schemes

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Actuarial gains and losses for defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government Securities as at the Balance Sheet date.

Defined benefit costs comprising current service cost, past service cost and gains or losses on settlements are recognised in the Statement of Profit and Loss as employee benefit expenses. Interest cost implicit in defined benefit employee cost is recognised in the Statement of Profit and Loss under finance cost. Gains or losses on settlement of any defined benefit plan are recognised when the settlement occurs. Past service cost is recognised as expense at the earlier of the plan amendment or curtailment and when the Company recognises related restructuring costs or termination benefits.

Net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability.

An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, attrition rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed annually.

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

2.3.8.3 Share-based payments

Share based compensation benefits are provided to employees via Xander Finance Employee Incentive Scheme 2016 (the 'Scheme'). The fair value of options granted under the scheme is recognised as an employee benefits expense with a corresponding increase in other equity.

The total amount to be expensed is determined by reference to the fair value of the options granted at each reporting period.

2.3.8.4 Other income and expenses

All Other income and expense are recognized in the period they occur.

2.3.8.5 Taxes

Tax expense comprises current and deferred tax.

Current Tax

Current Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

The tax credits computed in accordance with the provisions of the Income Tax Act, 1961 and based on the expected outcome of assessments/appeals.

Deferred Tax

Deferred Tax reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

In situations where the Company has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax relating to items recognised outside statement of profit or loss is recognised outside profit or 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.

2.3.9 Foreign currency translation

Foreign currency transactions are accounted for at the exchange rate prevailing on the date of the transaction. Exchange differences arising due to the differences in the exchange rate between the transaction date and the date of settlement of any monetary items are taken to the Statement of Profit and Loss.

Monetary assets and monetary liabilities denominated in foreign currency are translated at the exchange rate prevalent at the date of the Balance Sheet and resultant gain/ loss is taken to the Statement of Profit and Loss.

2.3.10 Cash and cash equivalents

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

2.3.11 Property, plant and equipment

Property, plant and equipment (PPE) are measured at cost less accumulated depreciation and accumulated impairment, (if any). The total cost of assets comprises its purchase price, freight, duties,

taxes and any other incidental expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.
Subsequent expenditure related to an item of tangible asset are added to its gross value only if it increases the future benefits of the existing asset, beyond its previously assessed standards of performance and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

Depreciation

Depreciation on plant, property and equipment is calculated using the straight-line method which is in line with the estimated useful life as specified in Schedule II of the Companies Act, 2013 except for Leasehold Improvements which are amortised on a straight-line basis over the primary period of the lease. Leasehold improvements include all expenditure incurred on the leasehold premises that have future economic benefits.

Assets individually costing less than Rs. 5,000 are depreciated fully in the year of purchase

The estimated useful lives are as follows:

Particulars	Useful life as prescribed by Schedule III of the Companies Act, 2013	Useful life estimated by Company
Furniture and fixture	10 years	10 years
Office equipment	5 years	5 years
Computer	3 years	3 years

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Property plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

2.3.12 Intangible assets

An intangible asset is recognised only when its cost can be measured reliably, and it is probable that the expected future economic benefits that are attributable to it will flow to the Company.
Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset comprises its purchase price and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life, or the expected pattern of consumption of future economic benefits

embodied in the asset, are accounted for by changing the amortisation period or methodology, as appropriate, which are then treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is presented as a separate line item in the statement of profit and loss.

Amortisation on assets acquired/sold during the year is recognised on a pro-rata basis to the Statement of Profit and Loss from / up to the date of acquisition/sale.
Amortisation is calculated using the straight–line method to write down the cost of intangible assets to their residual values over their estimated useful lives. Intangible assets comprising of software are amortised on a straight-line basis over a period of 3 years unless it has a shorter useful life.
The Company's intangible assets consist of computer software with definite life.

Gains or losses from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

2.3.13 Leases (As a lessee)

Identifying a lease

At the inception of the contract, the Company assesses whether a contract is, or contain, a lease. 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. The Company assesses whether:

i. The contract involves the use of an identified asset, this may be specified explicitly or implicitly.
ii. The Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use, and
iii. The Company has right to direct the use of the asset.

This policy is applied to contracts entered into, or changed, on or after 1 April 2018.
At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component based on their relative stand-alone prices.

Recognition of right of use asset

The Company recognises a right of use asset at the lease commencement date of lease and comprises of the initial lease liability amount, plus any indirect costs incurred.

Subsequent measurement of right of use asset

The right of use asset is subsequently amortized using the straight-line method from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term, whichever is lesser. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurement of the lease liability.

Recognition of lease liability

The lease liability is initially measured at the present value of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the SBI MCLR rate

Subsequent measurement of lease liability

Lease liability is measured at amortised cost using the effective interest method. The lease payments are apportioned between the finance charges and reduction of the lease liability using the incremental borrowing rate/SBI MCLR rate implicit in the lease to achieve a constant rate of interest on the remaining balance of the liability.

It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. Whenever the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right of use asset or is recorded in statement of profit or loss of the carrying amount of the right of use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Company has elected by class of underlying asset to not recognise right of use assets and lease liabilities for short term leases that have a lease term of 12 months and leases for which the underlying asset is of low value.

2.3.14 Provisions

A provision is recognized when:

(a) the Company has a present obligation as a result of past event,
(b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and
(c) 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.

2.3.15 Contingent Liabilities

A contingent liability is disclosed in case of:
(i) a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or
(ii) a present obligation that is not recognized 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 recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

2.3.16 Earning Per Share

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the year.

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

2.3.17 Contingencies and events occurring after the Balance Sheet date

Events occurring after the date of the Balance Sheet, which provide further evidence of conditions that existed at the Balance Sheet date or that arose subsequently, are considered up to the date of approval of accounts by the Board of Directors, where material.

2.3.18 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements in conformity with the Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March 2022
(All amounts are in Indian Rupees unless otherwise stated)

Note 3: Cash and cash equivalents

Particulars	As at 31 March 2022	As at 31 March 2021
Cash on hand	29,423	1,734
Balances with Banks		
- fixed deposits (with original maturity within 3 months)	33,64,19,357	-
- in current accounts	99,23,736	93,74,76,526
Cheques in hand	-	21,94,325
Total	**34,63,72,516**	**93,96,72,585**

Note 4: Bank balance other than cash and cash equivalents

Particulars	As at 31 March 2022	As at 31 March 2021
Balances with Banks		
- fixed deposits (with original maturity greater than 3 months and less than 12 months)	9,43,61,797	70,47,63,934
Total	**9,43,61,797**	**70,47,63,934**

Rajan & Co. LLP
New Delhi

Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March 2022
(All amounts are in Indian Rupees unless otherwise stated)

Note 5: Loans

Particulars	As at 31 March 2022	As at 31 March 2021
Receivables under financing activities (at amortised cost)	2,58,68,40,988	5,15,60,14,432
Total (A) - Gross	**2,58,68,40,988**	**5,15,60,14,432**
Less: Provision for expected credit losses	9,29,62,553	40,45,85,740
Total (A) - Net	**2,49,38,78,435**	**4,75,14,28,692**
i) Secured by tangible assets	2,58,68,40,988	5,15,60,14,432
ii) Secured by intangible assets	-	-
iii) Covered by Bank/Government Guarantees	-	-
iv) Unsecured	-	-
Total (B) - Gross	**2,58,68,40,988**	**5,15,60,14,432**
Less : Provision for expected credit losses	9,29,62,553	40,45,85,740
Total (B) - Net	**2,49,38,78,435**	**4,75,14,28,692**
Loans in India		
i) Public Sector	-	-
ii) Others (to be specified)	2,58,68,40,988	5,15,60,14,432
Total (C) - Gross	**2,58,68,40,988**	**5,15,60,14,432**
Less: Provision for expected credit losses	9,29,62,553	40,45,85,740
Total (C) - Net	**2,49,38,78,435**	**4,75,14,28,692**
Loans outside India	-	-
Less: Provision for expected credit losses	-	-
Total - Net	-	-
Total	**2,49,38,78,435**	**4,75,14,28,692**

Note:
There are no loan assets measured at FVOCI, FVTPL or designated at FVTPL

Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March 2022
(All amounts are in Indian Rupees unless otherwise stated)

Note 6: Investments

Particulars	As at 31 March 2022	As at 31 March 2021
Measured at Cost		
i) Investment in Subsidiary	12,00,00,000	12,00,00,000
(1,20,00,000 unquoted equity shares (31st March 2020 : 1,20,00,000) of face value of Rs.10/- each of Balestier Ventures Private Limited formerly known as 'Yuj Home Finance Private Limited')		
Measured at FVTPL		
Security Receipts *		
i) Investment in CFMARC Trust 1	38,25,00,000	46,33,00,000
ii) Investment in Arcil-AST-063-II Trust	55,25,85,000	55,25,85,000
iii) Investment in Arcil-AST-063-I Trust	33,99,15,000	33,99,15,000
iv) Investment in ACRE-107-Trust	29,95,80,610	-
v) Investment in ACRE-115-Trust	29,01,61,318	-
Total - Gross	**1,98,47,41,928**	**1,47,58,00,000**
Investments in India	1,98,47,41,928	1,47,58,00,000
Investments outside India	-	-
Total - Gross	**1,98,47,41,928**	**1,47,58,00,000**
Less : Impairment loss allowance	-	-
Total - Net	**1,98,47,41,928**	**1,47,58,00,000**

* Security Receipts represents loans which are transferred to Asset Reconstruction Companies. For determining the fair value, estimated cash flows of underlying loans are considered

Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March 2022
(All amounts are in Indian Rupees unless otherwise stated)

Note 7: Other financial assets

Particulars	As at 31 March 2022	As at 31 March 2021
Security deposits	1,07,04,691	1,02,74,157
Other financial assets	-	-
Other receivables	4,52,22,719	143
Total	**5,59,27,410**	**1,02,74,300**

Note 8: Current tax assets (net)

Particulars	As at 31 March 2022	As at 31 March 2021
Advance income tax (net of provision for tax)	22,04,98,011	16,13,75,224
Total	**22,04,98,011**	**16,13,75,224**

Note 9: Deferred tax assets (net)

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred tax assets		
Provision for expected credit losses	2,33,96,815	10,18,26,139
Impact of provision for gratuity	8,88,138	20,65,767
Impact of provision for employee stock option plan (ESOP)	5,36,143	5,37,089
Impact of provision for leave encashment	2,23,261	3,47,334
Impact of unamortised processing fees on loans	68,72,559	1,62,46,560
Lease Liability	1,18,54,962	1,55,89,820
Fair valuation of Security Deposits	4,19,894	5,71,661
Fair valuation of Investments and other assets	4,04,66,805	1,33,09,965
Loss as per taxation	70,20,925	-
Deferred tax liabilities		
Impact of difference between tax depreciation and depreciation/amortization charged for financial reporting	63,29,602	1,00,42,761
Impact of unamortised processing fees on borrowings	5,28,930	31,79,534
Interest on NPA on loans	52,91,276	-
Deferred lease rental	2,683	9,124
Total	**7,95,27,011**	**13,72,62,916**

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Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March 2022
(All amounts are in Indian Rupees unless otherwise stated)

Note 10: Property, plant and equipment

Particulars	Computers	Furniture & Fixtures	Office Equipment	Leasehold Improvements	Buildings (leased)	Total
At cost or fair value at the beginning of the year	41,79,567	19,85,601	15,10,834	3,42,24,297	10,91,63,883	15,10,64,182
Additions	3,10,847	-	-	2,79,660	-	5,90,507
Acquisitions through business combination	-	-	-	-	-	-
Revaluation adjustment, if any	-	-	-	-	-	-
Disposals	15,51,701	37,469	-	-	-	15,89,170
Reclassification from/to held for sale	-	-	-	-	-	-
At cost or fair value at the end of the year	29,38,713	19,48,132	15,10,834	3,45,03,957	10,91,63,883	15,00,65,519
Accumulated Depreciation and impairment as at the beginning of the year	32,63,356	8,47,306	11,34,668	2,88,18,846	5,02,18,782	8,42,78,958
Depreciation for the year	4,61,310	1,82,499	1,26,147	24,22,538	1,68,41,457	2,00,33,951
Disposals	14,70,993	17,058	-	-	-	14,84,051
Impairment/ (reversal) of impairment	-	-	-	-	-	-
Reclassification from/to held for sale	-	-	-	-	-	-
Accumulated Depreciation and impairment as at the end of the year	22,53,673	10,12,747	12,60,815	3,12,41,384	6,70,60,239	10,28,28,858
Net Carrying amount as at the end of the year	6,85,040	9,35,385	2,50,019	32,62,573	4,21,03,644	4,72,36,661
Net Carrying amount as at the end of the previous year	9,16,211	11,42,295	3,76,166	54,05,451	5,89,45,101	6,67,85,224

Note 11: Intangible assets

Particulars	Software	Total
At cost, beginning of the year	7,59,726	7,59,726
Additions	1,09,000	1,09,000
Acquisitions	-	-
Fair value adjustment, if any	-	-
Disposals	15,437	15,437
Total Cost	8,53,289	8,53,289
Accumulated amortisation and impairment:		
At the beginning of the year	5,19,207	5,19,207
Amortisation	1,23,772	1,23,772
Disposals	14,665	14,665
Impairment/ (reversal) of Impairment	-	-
Total Amortisation and impairment	6,28,314	6,28,314
Net Carrying amount as at the end of the year	2,24,975	2,24,975
Net Carrying amount as at the end of the previous year	2,40,519	2,40,519

Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March 2022
(All amounts are in Indian Rupees unless otherwise stated)

Note 12: Other non-financial assets

Particulars	As at 31 March 2022	As at 31 March 2021
Prepaid expenses	2,45,62,770	2,01,15,875
Asset acquired in satisfaction of loans (held for sale)	32,79,28,652	56,02,82,433
Deferred lease rental	10,662	36,251
Advance against expenses	6,27,340	7,77,754
GST & service tax input credit available / receivable	2,26,41,302	1,84,66,653
Total	**37,57,70,726**	**59,96,78,966**

Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March 2022
(All amounts are in Indian Rupees unless otherwise stated)

Note 13: Trade payables

Particulars	As at 31 March 2022	As at 31 March 2021
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	38,31,640	39,98,354
Total	38,31,640	39,98,354

Ageing for trade payables outstanding as at March 31, 2022 is as follows:

Particulars	Outstanding for Following Periods From Due Date of Payment				Total
	Less than 1 year	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
(i) MSME*	-	-	-	-	-
(ii) Others	38,31,640	-	-	-	38,31,640
(iii) Disputed Dues - MSME*	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-

*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006

Ageing for trade payables outstanding as at March 31, 2021 is as follows:

Particulars	Outstanding for Following Periods From Due Date of Payment				Total
	Less than 1 year	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
(i) MSME*	-	-	-	-	-
(ii) Others	39,98,354	-	-	-	39,98,354
(iii) Disputed Dues - MSME*	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-

*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006

Note 14: Debt securities

Particulars	As at 31 March 2022	As at 31 March 2021
Debentures at amortised cost Secured Non Convertible Debentures, fully paid, privately placed	80,40,38,814	2,65,05,06,270
Total	80,40,38,814	2,65,05,06,270
Debt securities in India	80,40,38,814	2,65,05,06,270
Debt securities outside India	-	-
Total	80,40,38,814	2,65,05,06,270

The debentures are redeemable at par. The debentures are secured against pari passu charge on standard asset portfolio of book debts and receivables of the company.

Terms of repayment of the debt securities are as under:

Terms of repayment as on 31 March 2022 for Non Convertible Debentures

Original maturity of loan	Interest rate	Due within 1 year		Due in 1 to 2 Years		Due above 2 years		Total
		No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	
Bullet repayment schedule								
1 - 3 years	9%-10.25%	1	3,41,19,865	1	49,78,98,402	-	-	53,20,18,267
		1	2,20,20,547	1	25,00,00,000	-	-	27,20,20,547
Total			5,61,40,412		74,78,98,402		-	80,40,38,814

Terms of repayment as on 31 March 2021 for Non Convertible Debentures

Original maturity of loan	Interest rate	Due within 1 year		Due in 1 to 2 Years		Due above 2 years		Total
		No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	
Half Yearly repayment schedule								
1 - 3 years	9.70%	1	25,37,00,685	-	-	-	-	25,37,00,685
Subtotal(A)			25,37,00,685	-	-	-	-	25,37,00,685
Bullet repayment schedule								
1 - 3 years	9%-10.25%	1	2,17,21,497	1	25,00,00,000	-	-	27,17,21,497
		2	1,06,25,03,258	-	-	-	-	1,06,25,03,258
		1	3,51,81,387	1	49,59,11,139	-	-	53,10,92,526
		1	53,14,88,304	-	-	-	-	53,14,88,304
Subtotal(B)			1,65,08,94,446		74,59,11,139		-	2,39,68,05,585
Total (A+B)			1,90,45,95,131		74,59,11,139		-	2,65,05,06,270

Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March 2022
(All amounts are in Indian Rupees unless otherwise stated)

Note 15: Borrowings (other than debt securities)

Particulars	As at 31 March 2022	As at 31 March 2021
(a) Term Loans		
Secured		
From Banks	-	57,11,14,469
From Financial institutions	-	-
(b) Loans repayable on demand		
Secured		
Cash credit / Overdraft facilities from banks	49,90,42,066	-
Total	49,90,42,066	57,11,14,469
Borrowings in India	49,90,42,066	57,11,14,469
Borrowings outside India	-	-
Total	49,90,42,066	57,11,14,469

The loans are secured against pari passu charge on standard asset portfolio of book debts and receivables of the company

Terms of repayment of the secured loans are as under:

Terms of repayment as on 31 March 2022 for Borrowings from Banks & Financial Institutions

Original maturity of loan	Interest rate	Due within 1 year		Due in 1 to 3 Years		Due above 3 years		Total
		No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	
Quarterly repayment schedule								
1- 4 Years	-	-	-	-	-	-	-	-
Total			-		-		-	-

Terms of repayment as on 31 March 2021 for Borrowings from Banks & Financial Institutions

Original maturity of loan	Interest rate	Due within 1 year		Due in 1 to 3 Years		Due above 3 years		Total
		No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	
Quarterly repayment schedule								
1- 4 Years	9%-10%	1	16,58,48,185	-	-	-	-	16,58,48,185
		1	16,50,27,416	-	-	-	-	16,50,27,416
		-	-	4	24,21,38,868	-	-	24,21,38,868
Total			33,09,75,603		24,21,38,868		-	57,11,14,469

Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March 2022
(All amounts are in Indian Rupees unless otherwise stated)

Note 16: Other financial liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Lease Liability	4,71,03,315	6,19,43,021
Payable for expenses	22,53,291	47,99,113
Employee benefits payable	35,833	9,17,020
Others (liabilities in respect of assets held for sale)	-	7,03,39,080
Total	**4,93,92,439**	**13,79,98,234**

Note 17: Current tax liabilities (net)

Particulars	As at 31 March 2022	As at 31 March 2021
For taxation	7,24,674	7,24,674
Total	**7,24,674**	**7,24,674**

Note 18: Provisions

Particulars	As at 31 March 2022	As at 31 March 2021
Provision for employee benefits		
- Gratuity	35,28,837	82,07,910
- Leave encashment	8,87,082	13,80,062
Total	**44,15,919**	**95,87,972**

Note 19: Other Non-financial liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Statutory dues payable	35,43,111	93,88,840
Advance from customers	4,17,253	1,38,92,519
Total	**39,60,364**	**2,32,81,359**

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New Delhi

Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March 2022
(All amounts are in Indian Rupees unless otherwise stated)

Note 20: Equity share capital

Particulars	As at 31 March 2022	As at 31 March 2021
EQUITY SHARE CAPITAL		
Authorised:		
14,81,00,000 (31 March 2020: 14,81,00,000) equity shares of Rs.10 each	1,48,10,00,000	1,48,10,00,000
	1,48,10,00,000	**1,48,10,00,000**
Issued, subscribed and fully paid up		
Equity shares		
14,80,50,216 (31 March 2020: 14,80,50,216) equity shares of Rs.10 each	1,48,05,02,160	1,48,05,02,160
Total Equity	**1,48,05,02,160**	**1,48,05,02,160**

Reconciliation of the shares outstanding at the beginning and at the end of the reporting year
Equity shares

Particulars	31-Mar-22		31-Mar-21	
	Number of shares	Amount	Number of shares	Amount
Balance as at beginning of the year	14,80,50,216	1,48,05,02,160	14,80,50,216	1,48,05,02,160
Add:- Equity shares issued during the year	-	-	-	-
Balance as at end of the year	**14,80,50,216**	**1,48,05,02,160**	**14,80,50,216**	**1,48,05,02,160**

Terms and rights attached to 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. Any dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Dividend declared and paid would be in Indian rupees.

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 amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

Shares held by holding company and details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	31-Mar-22		31-Mar-21	
	Number of shares	Amount	Number of shares	Amount
Xander Credit Pte Ltd., the holding company	14,72,40,866	1,47,24,08,660	14,72,40,866	1,47,24,08,660
Shares of Rs. 10 each fully paid.				

Particulars	31-Mar-22		31-Mar-21	
	Number of Shares	% holding	Number of Shares	% holding
Xander Credit Pte Ltd., the holding company	14,72,40,866	99.45%	14,72,40,866	99.45%

As per the record of the Company, including its register of shareholders / members regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

The Company has not issued shares for consideration other than cash during the period of five years immediately preceding the reporting date.

Equity shares movement during 5 years preceding March 31, 2022

a) Shares alloted without payment being received in cash	NIL
b) Equity shares issued as bonus	NIL
c) Equity shares extinguished on buy-back	NIL

Disclosure of Shareholding of Promoters
Disclosure of shareholding of promoters as at March 31, 2022 is as follows:

Promoter Name	Shares held by promoter				% Change during the year
	31-Mar-22		31-Mar-21		
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
Xander Credit Pte. Ltd.	14,72,40,866	99.45%	14,72,40,866	99.45%	-

Ravi Rajan & Co. LLP * Chartered Accountants * New Delhi

Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March 2022
(All amounts are in Indian Rupees unless otherwise stated)

Note 21: Other equity

Particulars	As at 31 March 2022	As at 31 March 2021
Statutory reserve (As required by section 45-IC of the Reserve Bank of India Act, 1934)	79,10,63,501	76,43,38,501
Securities premium account	1,51,81,38,907	1,51,81,38,907
Retained earnings (surplus/deficit in profit & loss account)	10,87,414	20,97,294
Employees Stock Option Plan (ESOP) Reserve	21,30,256	21,34,015
Total	**2,31,24,20,078**	**2,28,67,08,717**

Note 21.1: Nature and purpose of reserves

Statutory reserve: Statutory reserve represents appropriation of retained earning as per section 45 IC of the Reserve Bank Of India Act, 1934.

Securities premium reserve: 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.

Retained earnings: Retained earnings represents surplus/accumulated earnings of the Company and are available for distribution to shareholders. The Company recognises any change on account of remeasurement of the net defined liability/(asset) which comprises of actuarial gains/losses in other comprehensive income which is considered as part of retained earnings.

Employees Stock Option Plan (ESOP) Reserve: The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration. Refer to Note 35 for further details of these plans.

Note 21.2: Other equity movement

Particulars	As at 31 March 2022	As at 31 March 2021
Statutory reserve (As required by section 45-IC of the Reserve Bank of India Act, 1934)		
Balance as at the beginning of the year	76,43,38,501	75,64,48,501
Additions during the year - Transfer from Surplus from Statement of Profit and Loss	2,67,25,000	78,90,000
Balance as at the end of the year	**79,10,63,501**	**76,43,38,501**
Securities premium account		
Balance as at the beginning of the year	1,51,81,38,907	1,51,81,38,907
Add: Premium on shares issued during the year	-	-
Balance as at the end of the year	**1,51,81,38,907**	**1,51,81,38,907**
Retained earnings (surplus/deficit in profit & loss account)		
Balance as at the beginning of the year	1,68,28,60,141	1,80,67,53,532
Add: Profit for the year	13,36,20,001	3,94,49,338
Less : Appropriations		
Transfer to Statutory Reserve	2,67,25,000	78,90,000
Dividend paid during the year		
- Dividend	1,24,95,43,826	-
Final Dividend for FY 2019-20	-	15,54,52,729
	54,02,11,316	**1,68,28,60,141**
Other Comprehensive Income		
Balance as at the beginning of the year	20,97,294	5,28,987
Add: Movement during the year		
Actuarial gain/(loss) on gratuity valuation	(10,09,880)	15,68,307
Balance as at the end of the year	**10,87,414**	**20,97,294**
Employees Stock Option Plan (ESOP) Reserve		
Balance as at the beginning of the year	21,34,015	96,58,996
Add: Provision for the year	(3,759)	(75,24,981)
Balance as at the end of the year	**21,30,256**	**21,34,015**
Total	**2,85,26,31,394**	**3,96,95,68,858**

Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March 2022
(All amounts are in Indian Rupees unless otherwise stated)

Note 22: Interest income

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Interest income on financial assets measured at amortised cost		
Interest Income	53,88,77,370	1,33,84,76,447
Other interest income-unwinding of security deposit	6,03,014	5,56,592
Interest on NPA	2,10,23,823	-
Total	**56,05,04,207**	**1,33,90,33,039**

Note 23: Other operating income

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Redemption Premium	-	2,41,344
Advisory Fees	3,75,00,000	-
Total	**3,75,00,000**	**2,41,344**

Note 24: Net gain on fair value changes

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Net gain/ (loss) on financial instruments at fair value through profit or loss		
On investment portfolio		
- Other items	1,72,21,360	15,64,376
Fair Value changes:		
- Realised	1,72,21,360	15,64,376
- Unrealised	-	-
	1,72,21,360	**15,64,376**
Total	**1,72,21,360**	**15,64,376**

Note 25: Other income

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Interest on fixed deposits	2,82,41,323	6,55,29,573
Business Support Services	1,31,41,306	-
Other miscellaneous income	32,97,157	1,07,070
Total	**4,46,79,786**	**6,56,36,643**

Note 26: Finance cost

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Interest expense on financial liabilities measured at amortised cost		
Interest		
- On term loans from banks	1,63,98,337	22,59,91,485
- On cash credit from banks	1,52,80,500	4,24,33,812
- On term loans from financial institutions	-	2,96,47,115
- On non-convertible debentures	18,96,38,140	27,05,08,035
- On taxes	-	5,06,644
Other borrowing cost		
Other borrowing costs	13,69,313	60,46,676
Bank charges	5,13,702	9,60,250
Interest on lease liability	46,21,753	57,69,526
Total	**22,78,21,745**	**58,18,63,543**

Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March 2022
(All amounts are in Indian Rupees unless otherwise stated)

Note 27: Net loss on fair value changes

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Net gain/ (loss) on financial instruments at fair value through profit or loss		
On investment portfolio		
- Other items	11,40,86,734	5,28,84,474
Fair Value changes:		
- Realised	-	-
- Unrealised	11,40,86,734	5,28,84,474
Total	**11,40,86,734**	**5,28,84,474**

Note 28: Net loss on derecognition of financial instruments

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Loss on assignment	16,87,89,081	25,18,88,969
Total	**16,87,89,081**	**25,18,88,969**

Note 29: Impairment of financial assets

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Impairment on Financial instruments measured at Amortised cost		
Provision for expected credit losses	(31,16,23,187)	26,88,92,324
Total	**(31,16,23,187)**	**26,88,92,324**

Note 30: Employee benefit expenses

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Salaries and wages	5,06,12,067	7,41,33,355
Contributions to provident and other funds	16,30,130	30,14,933
Employees stock option plan	(3,799)	(75,24,981)
Gratuity	11,73,787	38,66,396
Leave encashment expenses	(4,92,980)	(7,26,305)
Staff welfare expenses	1,41,413	46,791
Total	**5,30,60,658**	**7,28,12,189**

Note 31: Depreciation, amortization and impairment

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Depreciation of tangible and intangible assets	2,01,57,723	2,03,91,623
	2,01,57,723	**2,03,91,623**

Note 32: Other expenses

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Rates and taxes	6,27,035	11,19,555
Rent	47,09,818	79,47,621
Electricity	3,93,445	1,85,723
Traveling and conveyance	21,99,049	10,09,708
Communication	11,57,349	10,19,854
Insurance	34,75,509	32,89,287
Office maintenance	19,27,750	21,11,896
Legal and professional fee	15,68,24,088	5,78,15,542
Loss on sale of property, plant and equipment	1,05,892	38,076
Auditors' remuneration	15,14,444	31,69,985
Corporate social responsibility	1,08,06,335	1,75,00,000
Miscellaneous expenses	1,21,76,330	40,75,184
Total	**19,59,17,044**	**9,92,78,431**

Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March 2022
(All amounts are in Indian Rupees unless otherwise stated)

Auditors' Remuneration

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
As auditors		
Audit fees	5,24,450	17,32,500
Limited review	4,69,133	2,72,500
Tax audit fees	1,50,000	3,52,000
In other capacity		
Certification fees	2,80,500	7,95,000
Reimbursement of expenses	90,361	17,585
	15,14,444	**31,69,585**

Details of CSR expenditure:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
a) Amount required to be spent by the Company during the year	1,08,06,335	1,64,41,382
b) Amount spent during the year	1,08,06,335	1,75,00,000
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	1,08,06,335	1,75,00,000
Total	**1,08,06,335**	**1,75,00,000**

Ravi Rajan & Co. LLP
New Delhi
Chartered Accountants

Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March 2022
(All amounts are in Indian Rupees unless otherwise stated)

Note 33: Income tax

The components of income tax expense for the year ended 31 March 2021 and 31 March 2020 are:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Current tax	-	9,64,00,000
Adjustment in respect of current income tax of prior years	-	-
Deferred tax relating to origination and reversal of temporary differences	5,80,75,554	(7,73,85,489)
Total tax charge	**5,80,75,554**	**1,90,14,511**

Reconciliation of the total tax charge:

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at corporate tax rate applicable in India. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended 31 March 2022 and 31 March 2021 is, as follows:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Accounting profit before tax	10,16,95,555	5,84,63,849
Statutory income tax rate	25.17%	25.17%
Expected income tax expense	4,82,00,000	1,47,00,000
Difference in tax rate due to:		
Effect of non-deductible expenses	27,00,000	44,00,000
Effect of non taxable income	-	-
Others	71,75,554	(85,489)
Total Tax expense	**5,80,75,554**	**1,90,14,511**
Effective tax rate	**38.30%**	**32.52%**

Deferred tax

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

Particulars	Deferred tax assets	Deferred tax liabilities	Income statement	OCI
	31-Mar-22	31-Mar-22	2021-22	2021-22
Depreciation	-	83,29,802	37,11,159	-
Impairment allowance for financial assets	2,33,98,815	-	(7,84,29,324)	-
Financial instruments measured at EIR	68,72,559	5,28,930	(67,23,397)	-
Remeasurement gain / (loss) on defined benefit plan	5,36,143	-	(3,40,595)	3,39,649
Other Provisions	11,11,399	-	(13,08,702)	-
Other temporary differences	5,97,62,586	32,93,959	2,30,06,305	-
Total	**9,16,79,502**	**1,21,52,491**	**(5,80,75,554)**	**3,39,649**

Particulars	Deferred tax assets	Deferred tax liabilities	Income statement	OCI
	31-Mar-21	31-Mar-21	2021-22	2021-22
Depreciation	-	1,00,42,761	50,50,680	-
Impairment allowance for financial assets	10,18,26,139	-	6,76,74,830	-
Financial instruments measured at EIR	1,62,46,560	31,79,534	(48,48,152)	-
Remeasurement gain / (loss) on defined benefit plan	20,65,767	-	9,73,095	(5,27,464)
Other Provisions	8,84,423	-	(20,76,683)	-
Other temporary differences	2,93,71,446	9,124	1,06,11,729	-
Total	**15,04,94,335**	**1,32,31,419**	**7,73,85,489**	**(5,27,464)**

Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March 2022
(All amounts are in Indian Rupees unless otherwise stated)

Note 34: Earnings per share

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

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

Particulars		Year ended 31 March 2022	Year ended 31 March 2021
Profit attributable to equity shareholders (A)	Rupees	13,36,20,001	3,94,49,338
Nominal value of equity share	Rs. / Share	10	10
Weighted average number of ordinary shares for basic earnings per share			
Opening Balance of equity shares (B1)	Nos	14,80,50,216	14,80,50,216
Issued during the year (B2)	Nos	-	-
Weighted average no. of equity shares issued during the year (B3)	Nos	-	-
Total weighted no. of equity shares for basic EPS (B) = (B1+B3)	Nos	14,80,50,216	14,80,50,216
Basic EPS (A/B)	Rs. / Share	**0.90**	**0.27**
Total weighted no. of equity shares for diluted EPS (C)	Nos	14,80,50,216	14,80,50,216
Diluted EPS (A/C)	Rs. / Share	**0.90**	**0.27**

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Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March 2022
(All amounts are in Indian Rupees unless otherwise stated)

Note 35: Employee Stock Option Plan (ESOP)

The Company provides share-based employee benefits to the employees of the Company. During the year ended March 31, 2021, an employee stock option plan (ESOP) was in existence. The relevant details of the scheme and the grant are as below.

The Board of Directors approved the Xander Finance Employee Incentive Scheme 2016 (the 'Scheme') for issue of stock units to the key employees and directors of the Company. According to the Scheme, the employees selected by the Administrator of the Scheme (as appointed by Board of Directors of the Company) from time to time will be entitled to stock units, subject to satisfaction of the prescribed vesting conditions, viz., continuing employment of at least 2 years. The contractual life (comprising the vesting period and the exercise period) of options granted is 3 years as per the Scheme. However, the Company estimates that based on current market conditions the stock units could be exercised at the end of 5 years by way of settlement in cash. The other relevant terms of the grant are as below:

Other relevant terms of the grant are as follows	Terms
Vesting period	3 years
Exercise period	After completion of the vesting period, currently estimated at 5 years
Expected life	5 years
Exercise price	Nil

The details of the Scheme are summarized below:

Particulars	31-Mar-22	31-Mar-21
Date of grant	-	-
Date of Board / Nomination & Remuneration committee approval	-	-
Number of Options granted	-	-

Particulars	31-Mar-22		31-Mar-21	
	Average exercise price	Number of options	Average exercise price	Number of options
Options outstanding at the beginning of the year	40.29	2,73,305	43.38	8,99,994
Granted during the year	-	-	-	-
Forfeited during the year	NA	53,518	NA	6,26,689
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	40.57	2,19,787	40.29	2,73,305
Exercisable at the end of the year	-	-	-	-

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Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March 2022
(All amounts are in Indian Rupees unless otherwise stated)

Note 36: Transfer of financial assets

During the current reporting year, the Company has transferred five loan accounts to an Asset Reconstruction Company (ARC) on a without recourse basis. All these loans were secured and were classified as credit impaired on the date of assignment. The Company has received the entire purchase consideration in cash from the ARC and has subscribed to the Security Receipts to the extent of 85%.

In view of the above, the Company has substantially retained all the risks and rewards of the ownership to the extent of 85% of the loans sold to the ARC and thereby does not meet the derecognition criteria as set out in Ind AS 109. However for balance 15% of the loans transferred against cash, derecognition criteria as set out in Ind AS 109 has been met.

Since the loans and advances have been transferred and the new asset (in the form of Security Receipts) having substantially different characteristics have been acquired, the Company has derecognised the loans and recognised the modified assets i.e. Security Receipts under "Investments".

The modified asset i.e. Security Receipts are classified at "Fair Value Through Profit & Loss" (FVTPL) by the Company as the contractual cash flows of the Security Receipts do not represent for Solely for Principal and Interest (SPPI) on amount outstanding under the basic lending arrangement.

The following table provides a summary of financial assets that have been transferred:

Particulars	**31-Mar-22**	**31-Mar-21**
Carrying amount of transferred assets measured at amortised cost	90,17,63,922	1,30,18,88,969
Fair value of modified assets	58,97,41,928	89,25,00,000

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

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New Delhi

Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March 2022
(All amounts are in Indian Rupees unless otherwise stated)

Note 37: Retirement benefit plan

Defined contribution plan

In accordance with the Indian regulations, employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which, both the employee and the Company contribute monthly at a determined rate. These contributions are made to a recognised provident fund. The employee contributes 12% of his/her basic salary and the Company contributes an equal amount. The Company recognised Rs.16,30,130 (Previous year Rs.30,14,933) for Provident Fund contribution in the Statement of Profit and Loss.

Defined benefit plan

The Company has a non-contributory unfunded defined benefit gratuity plan, under which every employee who has completed at least five years of service gets a gratuity on departure at 15 days of last drawn basic salary for each completed year of service.

Based on Ind AS 19 "Employee Benefits" notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules 2016, the following disclosures have been made as required by the standard:

A. Amount recognised in the balance sheet	31-Mar-22	31-Mar-21
Present value of defined benefit obligation	35,28,837	82,07,910
Fair value of plan assets	-	-
Asset/(liability) recognized in the balance sheet	**35,28,837**	**82,07,910**

B. Change in projected benefit obligation	31-Mar-22	31-Mar-21
Opening defined benefit obligation	82,07,910	64,37,285
Current service cost	8,71,126	11,18,064
Interest cost	3,02,661	4,25,505
Past Service Cost	-	23,22,827
Benefits paid	(72,02,389)	-
Actuarial loss / (gain) on obligation	13,49,529	(20,95,771)
Closing defined benefit obligation	**35,28,837**	**82,07,910**

C. Change in plan assets	31-Mar-22	31-Mar-21
Opening fair value of plan assets	-	-
Return on plan assets	-	-
Actuarial gain/(loss)	-	-
Benefits paid	-	-
Employer direct benefit payments	72,02,389	-
Benefit payments from employer	(72,02,389)	-
Closing fair value of plan assets	-	-

D. Amount recognised in the statement of profit and loss	31-Mar-22	31-Mar-21
Current service cost	8,71,126	11,18,064
Interest cost on benefit obligation	3,02,661	4,25,505
Past Service Cost	-	23,22,827
Expenses recognised in the statement of profit and loss	**11,73,787**	**38,66,396**

Rajan & Co LLP
New Delhi
Chartered Accountants

Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March 2022
(All amounts are in Indian Rupees unless otherwise stated)

E. Amount recognised in other comprehensive income	**31-Mar-22**	**31-Mar-21**
Actuarial (gains)/losses		
- Effect of changes in demographic assumptions	-	-
- Effect of changes in financial assumptions	(72,155)	15,373
- Effect of experience adjustments	14,21,684	(21,11,144)
Total remeasurements included in other comprehensive income	**13,49,529**	**(20,95,771)**

F. Expected cash flows for following year	**31-Mar-22**	**31-Mar-21**
Expected contributions / Additional Provision Next Year	8,71,126	11,18,064
Expected total benefit payments		
Year 1	3,26,650	48,61,210
Year 2	3,36,645	3,81,149
Year 3	3,24,576	3,77,056
Year 4	3,41,870	3,64,266
Year 5	3,26,037	3,47,406
Next 5 years	14,17,799	15,10,860

G. Assumptions used	**31-Mar-22**	**31-Mar-21**
Discount rate	6.90%	6.57%
Attrition rate	10%	10%
Expected rate of return on assets	NA	NA

H. Sensitivity Analysis	**31-Mar-22**		**31-Mar-21**	
	Increase	**Decrease**	**Increase**	**Decrease**
Discount rate (1% movement)	32,71,141	38,24,352	79,01,057	85,57,348
Salary increase rate (1% movement)	38,06,145	32,82,306	85,15,773	79,34,271
Attrition rate (1% movement)	35,32,317	35,22,866	82,11,136	82,02,695

Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March 2022
(All amounts are in Indian Rupees unless otherwise stated)

Note 38: 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. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behaviour as used for estimating the Expected interest rate (EIR). Issued debt reflect the contractual coupon amortisations.

Particulars	31-Mar-22			31-Mar-21		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	34,63,72,516	-	34,63,72,516	93,96,72,585	-	93,96,72,585
Bank balance other than cash and cash equivalents	9,43,61,797	-	9,43,61,797	70,47,63,934	-	70,47,63,934
Loans	1,33,38,15,655	1,16,00,62,780	2,49,38,78,435	1,67,71,38,424	3,07,42,90,268	4,75,14,28,692
Investments	21,00,00,000	1,77,47,41,928	1,98,47,41,928	21,00,00,000	1,26,58,00,000	1,47,58,00,000
Other financial assets	4,56,42,058	1,02,85,352	5,59,27,410	2,11,143	1,00,63,157	1,02,74,300
Non-financial Assets						
Current tax assets (net)	-	22,04,98,011	22,04,98,011	-	16,13,75,224	16,13,75,224
Deferred tax assets (net)	-	7,95,27,011	7,95,27,011	-	13,72,62,916	13,72,62,916
Property, plant and equipment	-	4,72,36,661	4,72,36,661	-	6,67,85,224	6,67,85,224
Other intangible assets	-	2,24,975	2,24,975	-	2,40,519	2,40,519
Other non financial assets	5,24,38,961	32,33,31,765	37,57,70,726	5,32,04,826	54,64,74,140	59,96,78,966
Total assets	**2,08,26,30,987**	**3,61,59,08,483**	**5,69,85,39,470**	**3,58,49,90,912**	**5,26,22,91,448**	**8,84,72,82,360**
Liabilities						
Financial liabilities						
Trade payables						
(i) total outstanding dues of creditors other than micro enterprises and small enterprises	38,31,640	-	38,31,640	39,98,364	-	39,98,364
Debt Securities	5,41,53,150	74,98,85,664	80,40,38,814	1,90,26,07,868	74,78,98,402	2,65,05,06,270
Borrowings (other than debt securities)	49,90,42,066	-	49,90,42,066	32,58,32,870	24,52,81,599	57,11,14,469
Other Financial liabilities	1,93,26,139	3,00,66,300	4,93,92,439	9,08,94,919	4,71,03,315	13,79,98,234
Non-financial liabilities						
Current tax liabilities (net)	-	7,24,674	7,24,674	-	7,24,674	7,24,674
Provisions	35,28,837	8,87,082	44,15,919	60,13,205	35,74,767	95,87,972
Other non-financial liabilities	35,43,111	4,17,253	39,60,364	93,88,840	1,38,92,519	2,32,81,359
Total liabilities	**58,34,24,943**	**78,19,80,973**	**1,36,54,05,916**	**2,33,87,36,066**	**1,05,84,75,276**	**3,39,72,11,342**
Net	**1,49,92,06,044**	**2,83,39,27,510**	**4,33,31,33,554**	**1,24,62,54,846**	**4,20,38,16,172**	**5,45,00,71,018**

Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March 2022
(All amounts are in Indian Rupees unless otherwise stated)

Note 39: Change in liabilities arising from financing activities

Changes in liabilities arising from financing activities

Particulars	As at 31 March, 2021	Cash Flows	Other	As at 31 March 2022
Debt Securities	2,65,05,06,270	(1,00,00,00,000)	(84,64,67,456)	80,40,38,814
Borrowings other than debt securities	57,11,14,469	(4,41,37,06,711)	4,34,16,34,308	49,90,42,066
Total	**3,22,16,20,738**	**(5,41,37,06,711)**	**3,49,51,66,852**	**1,30,30,80,880**

Particulars	As at 31 March, 2020	Cash Flows	Other	As at 31 March 2021
Debt Securities	1,75,39,47,579	75,00,00,000	14,65,58,691	2,65,05,06,270
Borrowings other than debt securities	4,90,90,77,510	(4,33,47,98,895)	(31,64,147)	57,11,14,469
Total	**6,66,30,25,089**	**(3,58,47,98,895)**	**14,33,94,544**	**3,22,16,20,738**

New Delhi
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Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March 2022
(All amounts are in Indian Rupees unless otherwise stated)

Note 40: Contingent liabilities, commitments

(A) Contingent Liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Contingent Liabilities		
- Income tax matter in dispute	1,69,90,203	2,69,77,960
- Service tax matter in dispute	23,63,500	23,63,500
	1,93,53,703	**2,93,41,460**

The Company does not expect any significant liabilities to materialise

(B) Commitments

- Estimated amount of contracts (net of advance) remaining to be executed on capital account and not provided for as at 31 March 2022 is Rs. Nil (31 March 2021: Rs. Nil).
- Other commitments pertaining to undrawn committed credits as at 31 March 2022 is Rs. Nil (31 March, 2021 : Rs. Nil)

New Delhi

Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March 2022
(All amounts are in Indian Rupees unless otherwise stated)

Note 41: Related party disclosures

a) List of related parties

Holding Company
Xander Credit Pte Limited, Singapore (the Holding Company)

Company where the directors have significant influence
Xander Advisors (India) Private Limited

Subsidiary Company
Yuj Home Finance Private Limited (formerly known as Xander Home Finance Private Limited)

Key managerial personnel during the year:
Mr. Rohan Sikri, Chairman and Director
Mr. Amar Merani, Managing Director and CEO (till April 07, 2021)
Mr. Rajesh Jogi, Independent Director (w.e.f. March 05, 2021)
Mr. Tariq Chinoy, Non Executive Director (w.e.f. March 19, 2021)
Mr. Varun Gopinath, Executive Director (w.e.f. February 22, 2021)
Mr. Sandeep Chhabda, Director (till March 10, 2021)
Mr. Pankaj Rathi, Company Secretary (till March 23, 2021)
Ms. Hiral Shah, Company Secretary (w.e.f March 23, 2021)

b) Transactions with related parties

Particulars	31-Mar-22	31-Mar-21
Holding company		
Payment of interim dividend	124,27,12,910	-
Payment of final dividend	-	13,91,42,619
Company where the directors have significant influence		
Cost incurred towards reimbursement of rent expenses	34,86,679	33,32,949
Cost incurred towards reimbursement of administrative expenses	22,108	19,764
Key Managerial Personnel		
Remuneration to Key Managerial Personnel during the year*		
Mr. Rohan Sikri		
Payment of interim dividend	32,97,593	-
Payment of final dividend	-	3,24,915
Mr. Amar Merani		
- Salaries & wages	65,45,814	1,80,22,620
- Post employment benefits	46,54,078	11,50,360
Mr. Rajesh Jogi		
- Sitting fees	16,00,000	1,00,000
- Consultancy Fees	10,08,300	-
Mr. Tariq Chinoy		
- Consultancy Fees	13,00,000	-
- Reimbursements	2,48,406	-
Mr.Varun Gopinath		
- Salaries & wages	74,78,400	7,39,000
- Post employment benefits	21,600	3,600
Mr. Sandeep Chhabda		
- Salaries & wages	-	77,82,016
- Post employment benefits	-	-
Mr. Pankaj Rathi		
- Salaries & wages	-	50,48,173
- Post employment benefits	-	5,68,269
Ms. Hiral Shah		
- Salaries & wages	11,12,496	24,193
- Post employment benefits	-	-

* Provision for gratuity and leave encashment is made for the Company as a whole and the amounts pertaining to the key managerial personnel is not specifically identified and hence not included above.

c) Balance with related parties

Particulars	31-Mar-22	31-Mar-21
Subsidiary company		
Investment in subsidiary	12,00,00,000	12,00,00,000
Company where the directors have significant influence		
Xander Advisors (India) Private Limited	14,27,760	27,03,520

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New Delhi

Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March 2022
(All amounts are in Indian Rupees unless otherwise stated)

Note 42: Capital

Capital Management

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

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.
For details about Capital Risk Adequacy Ratio (CRAR) of the Company as required to be disclosed under RBI Master Directions - Refer Note 47 (a)

Note 43: Events after reporting date
There have been no events after the reporting date that require disclosure in these financial statements.

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New Delhi

Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March 2022
(All amounts are in Indian Rupees unless otherwise stated)

Note 44: Leases

Company as a Lessee

The Company has leased premises for a period of 5 years which has been recognised as a "Right to Use" Asset

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

Particulars	Buildings (leased)	Total
As at March 31, 2021	**5,89,45,101**	**5,89,45,101**
Addition	-	-
Depreciation	1,68,41,457	1,68,41,457
As at March 31, 2022	**4,21,03,643**	**4,21,03,643**

Set out below are the carrying amounts of lease liabilities and the movements during the period:

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	6,19,43,021	7,47,96,901
Addition	-	-
Accretion of interest	46,21,753	57,69,526
Payments	1,94,61,459	1,86,23,406
Closing Balance	**4,71,03,315**	**6,19,43,021**

The Maturity analysis of lease liabilities is as under:

Particulars	As at March 31, 2022			As at March 31, 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Lease Liabilities	1,70,37,015	3,00,66,300	4,71,03,315	1,48,39,706	4,71,03,315	6,19,43,021

The following are the amounts recognised in statement of profit or loss:

Particulars	As at March 31, 2022	As at March 31, 2021
Depreciation expense of right-of-use assets	1,68,41,457	1,68,41,457
Interest expense on lease liabilities	46,21,753	57,69,526
Total amount recognised in profit or loss	**2,14,63,211**	**2,26,10,984**

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Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March 2022
(All amounts are in Indian Rupees unless otherwise stated)

Note 45: Fair value measurement

45.1 Valuation principle

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

45.2 Fair value hierarchy of assets and liabilities

Ind AS 107, 'Financial Instrument - Disclosure' requires classification of the valuation method of financial instruments measured at fair value in the Balance Sheet, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurements). The hierarchy gives the highest priority to un-adjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair-value-hierarchy under Ind AS 107 are described below:
Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.
Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and place limited reliance on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for Security Receipts included in level 3.

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

31 March 2022

Assets measured at fair value	Level-1	Level-2	Level-3	Total
Investments				
Security Receipts	-	-	1,86,47,41,928	1,86,47,41,928
Total financial assets measured at fair value	-	-	1,86,47,41,928	1,86,47,41,928

31 March 2021

Assets measured at fair value	Level-1	Level-2	Level-3	Total
Investments				
Security Receipts	-	-	1,31,58,00,000	1,31,58,00,000
Asset acquired in satisfaction of loans				
Quoted equity shares	1,38,44,543	-	-	1,38,44,543
Total financial assets measured at fair value	1,38,44,543	-	1,31,58,00,000	1,32,96,44,543

45.3 Valuation techniques

Security Receipts
Fair valuation has been carried out using discounted cash flow method. Cash flows have been projected based on the realisations from underlying assets.

Asset acquired in satisfaction of loans
The assets acquired in satisfaction of claims include assets acquired in the form of listed equity shares. The shares have been valued at the lower of quoted prices at NSE and BSE as on March 31, 2021

45.4 Movements in Level 3 financial instruments measured at fair value

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

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

31-Mar-22	As at 1 April 2021	Purchase	Sales	Transfers into Level 3	Transfers from Level 3	At 31 March 2022	Unrealised gains and (losses) related to balances held at the end of the period
Investments							
Security Receipts	1,40,21,00,000	62,30,28,682	-	-	-	2,02,51,28,682	(16,07,58,754)
Asset acquired in satisfaction of loans							
Quoted equity shares	1,38,44,543	-	1,38,44,543	-	-	-	-
Total	1,41,59,44,543	62,30,28,682	1,38,44,543	-	-	2,02,51,28,682	(16,07,58,754)

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

31-Mar-21	As at 1 April 2020	Purchase	Sales	Transfers into Level 3	Transfers from Level 3	At 31 March 2021	Unrealised gains and losses related to balances held at the end of the period
Investments							
Security Receipts	51,00,00,000	89,21,00,000	-	-	-	1,40,21,00,000	(9,07,00,000)
Asset acquired in satisfaction of loans							
Quoted equity shares	-	7,38,40,000	5,38,10,983	-	-	1,38,44,543	(61,84,474)
Total	51,00,00,000	96,59,40,000	5,38,10,983	-	-	1,41,59,44,543	(9,68,84,474)

New Delhi
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Xander Finance Private Limited

(All amounts are in Indian Rupees unless otherwise stated)

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

The quantitative information about the significant unobservable inputs used in level 3 fair value measurements is summarised below

	31-Mar-22		31-Mar-21	
	Favourable changes	**Unfavourable changes**	**Favourable changes**	**Unfavourable changes**
Security Receipts				
Sensitivity to movement in significant unobservable inputs i.e. underlying cashflows				
- increase by 25%	50,63,82,166	-	35,06,25,000	-
- decrease by 25%	-	(50,63,82,166)	-	(35,06,25,000)

45.6 Fair value of financial instruments not measured at fair value

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

31-Mar-22	**Notional amount**	**Fair Value**			
		Level-1	**Level-2**	**Level-3**	**Total**
Financial assets:					
Cash and cash equivalents	34,63,72,516	34,63,72,516	-	-	34,63,72,516
Bank balance other than cash and cash equivalents	9,43,61,797	9,43,61,797	-	-	9,43,61,797
Loans	2,49,38,78,435	-	2,60,38,00,496	-	2,60,38,00,496
Investment in Subsidiaries	12,00,00,000	12,00,00,000	-	-	12,00,00,000
Other Financial assets	5,59,27,410	5,59,27,410	-	-	5,59,27,410
Total financial assets	**3,11,05,40,159**	**61,66,61,724**	**2,60,38,00,496**	-	**3,22,04,62,219**
Financial liabilities:					
Trade Payables	38,31,640	38,31,640	-	-	38,31,640
Debt securities	80,40,58,814	-	80,46,24,409	-	80,46,24,409
Borrowings (other than debt security)	49,99,42,066	49,99,42,066	-	-	49,99,42,066
Other Financial liabilities	4,93,92,439	4,93,92,439	-	-	4,93,92,439
Total financial liabilities	**1,35,63,84,959**	**55,32,66,145**	**80,46,24,409**	-	**1,35,68,90,554**
Off balance sheet items	-	-	-	-	-
Other commitments	-	-	-	-	-
Total off-balance sheet items	-	-	-	-	-

31-Mar-21	**Notional amount**	**Fair Value**			
		Level-1	**Level-2**	**Level-3**	**Total**
Financial assets:					
Cash and cash equivalents	93,96,72,585	93,96,72,585	-	-	93,96,72,585
Bank balance other than cash and cash equivalents	70,47,63,934	70,47,63,934	-	-	70,47,63,934
Loans	4,75,14,28,692	-	5,31,42,58,969	-	5,31,42,58,969
Investment in Subsidiaries	12,00,00,000	12,00,00,000	-	-	12,00,00,000
Other Financial assets	1,02,74,300	1,02,74,300	-	-	1,02,74,300
Total financial assets	**6,52,61,39,511**	**1,77,47,10,819**	**5,31,42,58,969**	-	**7,08,89,69,788**
Financial liabilities:					
Trade Payables	39,98,364	39,98,364	-	-	39,98,364
Debt securities	2,65,05,06,270	-	2,62,96,69,046	-	2,62,96,69,046
Borrowings (other than debt security)	57,11,14,469	-	58,03,56,793	-	58,03,56,793
Other Financial liabilities	13,79,98,234	13,79,98,234	-	-	13,79,98,234
Total financial liabilities	**3,36,36,17,337**	**14,19,96,598**	**3,21,00,25,839**	-	**3,35,20,22,437**
Off balance sheet items	-	-	-	-	-
Other commitments	-	-	-	-	-
Total off-balance sheet items	-	-	-	-	-

45.7 Valuation methodologies of financial instruments not measured at fair value

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

Financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include cash and balances, trade receivables, balances other than cash and cash equivalents and trade payables without a specific maturity. Such amounts have been classified as Level 1 on the basis that no adjustments have been made to the balances in the balance sheet.

Loans and advances to customers
The fair values of loans and receivables are estimated by discounted cash flow models.

Debt securities and borrowings
The fair value of debt securities and borrowings are based on discounted cash flows using a current borrowing rate.

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New Delhi
Chartered Accountants

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Notes to the standalone financial statements as at 31st March 2022
(All amounts are in Indian Rupees unless otherwise stated)

Note 46: Risk management

46.1 Introduction and Risk Profile

[illegible]

46.1.1 Risk management structure

[illegible]

46.1.2 Excessive risk concentration

[illegible]

46.2 Credit Risk

[illegible]

46.2.1 Management of Credit risk

[illegible]

46.2.2 Write off policy

[illegible]

46.2.3 Impairment Assessment

46.2.3.1 Staging of Assets

Based on the days past due status for each loan and increase in credit risk, the loans will be categorised into Stage 1, Stage 2 and Stage 3 as described below:

Stage 1

[illegible]

Stage 2

[illegible]

Stage 3

[illegible]

46.2.3.2 Measurement of Expected Credit Losses (ECL)

[illegible]

Based on above, ECL on Advances (Funded portion) has been computed in the following manner:
ECL = EAD * PD * LGD

(1) Exposure at Default (EAD)

[illegible]

(2) Probability of Default (PD)

[illegible]

(3) Loss Given Default (LGD)

[illegible]

46.2.4 Analysis of risk concentration

The carrying amounts of the following financial assets represent the maximum credit risk exposure:

Particulars	As at 31 March 2022	As at 31 March 2021
Cash and cash equivalents	34,03,72,185	93,96,72,383
Bank balance other than cash and cash equivalents	9,65,61,797	78,47,63,324
Loans	2,49,56,78,610	6,79,14,28,692
Investments	1,98,67,41,938	1,47,20,00,000
Other financial assets	4,90,27,410	2,02,74,306
Total	4,97,32,82,097	7,98,83,83,211

Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March 2022
(All amounts are in Indian Rupees unless otherwise stated)

Credit quality of assets
The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances.

	31-Mar-22				31-Mar-21			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Internal rating grade								
Performing								
High grade (0 DPD)	65,85,55,275	19,36,61,336	-	85,22,16,611	2,55,61,85,091	1,43,02,62,188	-	3,98,64,47,279
Standard grade (1-30 DPD)	1,23,51,79,158	-	-	1,23,51,79,158	46,54,49,241	42,29,62,781	-	88,84,12,022
Sub-standard grade (31-60)	-	32,59,27,108	-	32,59,27,108	-	28,11,55,131	-	28,11,55,131
Past due but not impaired (61-90)	-	-	-	-	-	-	-	-
Non- performing								
Individually impaired	-	-	17,35,18,111	17,35,18,111	-	-	-	-
Total	**1,89,37,34,433**	**51,95,88,444**	**17,35,18,111**	**2,58,68,40,988**	**3,02,16,34,332**	**2,13,43,80,100**	**-**	**5,15,60,14,432**

Stage 2 includes loans with gross carrying amount of Rs.19.37 crores, which were restructured pursuant to RBIs COVID-19 framework dated August 6, 2020. These have been classified as Stage 2 on a conservative basis based on qualitative assessment performed by the Company in accordance with Ind AS 109. However, based on Company's assessment of the overall creditworthiness of the borrowers, the Company does not anticipate any defaults on these loans.

An analysis of changes in the gross carrying amount and the corresponding ECL allowances is as follows:

	Year ended March 31, 2022				Year ended March 31, 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	3,02,16,34,333	2,13,43,80,099	-	5,15,60,14,432	9,65,49,41,400	-	-	9,65,49,41,400
New assets originated or purchased (net)	11,59,569	92,21,198	-	1,03,80,767	47,66,07,854	3,76,31,982	-	51,42,39,836
Assets derecognised or repaid (net) (excluding write offs)	(1,44,07,32,252)	(1,13,88,21,959)	-	(2,57,95,54,211)	(5,01,31,66,804)	-	-	(5,01,31,66,804)
Transfers to Stage 1	64,95,66,710	(64,95,66,710)	-	-	-	-	-	-
Transfers to Stage 2	(32,59,27,109)	32,59,27,109	-	-	(2,09,67,48,117)	2,09,67,48,117	-	-
Transfers to Stage 3	(1,19,66,818)	(16,15,51,293)	17,35,18,111	-	-	-	-	-
Amounts written off	-	-	-	-	-	-	-	-
Gross carrying amount closing balance	**1,89,37,34,433**	**51,95,88,444**	**17,35,18,111**	**2,58,68,40,988**	**3,02,16,34,333**	**2,13,43,80,099**	**-**	**5,15,60,14,432**

Reconciliation of ECL balance is given below:

	Year ended March 31, 2022				Year ended March 31, 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	3,19,90,426	37,25,95,314	-	40,45,85,740	13,56,93,416	-	-	13,56,93,416
New assets originated or purchased (net)	69,98,816	9,28,489	-	79,27,305	49,72,656	33,59,94,998	-	34,09,67,654
Assets derecognised or repaid (net) (excluding write offs)	(1,51,39,865)	(30,44,10,627)	-	(31,95,50,492)	(7,20,75,330)	-	-	(7,20,75,330)
Transfers to Stage 1	3,30,46,753	(3,30,46,753)	-	-	-	-	-	-
Transfers to Stage 2	(18,84,498)	18,84,498	-	-	(3,66,00,316)	3,66,00,316	-	-
Transfers to Stage 3	(13,97,533)	(1,63,66,963)	1,77,64,496	-	-	-	-	-
Amounts written off	-	-	-	-	-	-	-	-
ECL allowance - closing balance	**5,36,14,099**	**2,15,83,958**	**1,77,64,496**	**9,29,62,553**	**3,19,90,426**	**37,25,95,314**	**-**	**40,45,85,740**

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

Particulars	Year ended 31 March 2022				Year ended 31 March 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Loans	(5,85,06,915)	(24,69,37,355)	(61,78,917)	(31,16,23,187)	(6,71,02,674)	33,59,94,998	-	26,88,92,324
Total impairment loss	**(5,85,06,915)**	**(24,69,37,355)**	**(61,78,917)**	**(31,16,23,187)**	**(6,71,02,674)**	**33,59,94,998**	**-**	**26,88,92,324**

New Delhi

Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March 2022
(All amounts are in Indian Rupees unless otherwise stated)

Credit risk exposure analysis

	As at March 31 2022			
Particulars	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Per portfolio				
Loans	1,89,37,34,433	51,95,88,444	17,35,18,111	**2,58,68,40,988**
Break up into:				
Per sector				
Real estate loan portfolio	78,19,75,890	1,16,91,55,155	17,35,18,111	**2,12,46,49,156**
Corporate loan portfolio	46,21,91,832	-	-	**46,21,91,832**
Per region				
Karnataka	1,26,66,94,568	-	-	**1,26,66,94,568**
Delhi/NCR	1,10,14,83,902	-	-	**1,10,14,83,902**
Tamil Nadu	21,86,62,518	-	-	**21,86,62,518**
Total	**1,89,37,34,433**	**51,95,88,444**	**17,35,18,111**	**2,58,68,40,988**

	As at March 31 2021			
Particulars	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Per portfolio				
Loans	3,02,16,34,332	2,13,43,80,100	-	**5,15,60,14,432**
Break up into:				
Per sector				
Real estate loan portfolio	2,43,65,12,789	1,85,32,24,969	-	**4,28,97,37,758**
Corporate loan portfolio	58,51,21,543	28,11,55,131	-	**86,62,76,674**
Per region				
Maharashtra	28,11,55,131	-	-	**28,11,55,131**
Karnataka	1,93,83,39,934	-	-	**1,93,83,39,934**
Delhi/NCR	2,48,13,02,293	-	-	**2,48,13,02,293**
Tamil Nadu	45,52,17,074	-	-	**45,52,17,074**
West Bengal	-	-	-	-
Total	**3,02,16,34,332**	**2,13,43,80,100**	-	**5,15,60,14,432**

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(All amounts are in Indian Rupees unless otherwise stated)

46.3 Collateral and other credit enhancements

Collateral and other credit enhancements

The below tables provide an analysis of the current fair values of collateral held and credit enhancements.

Type of credit enhancement or collateral		Fair value of collateral and credit enhancements held under the base case scenario								
As at March 31 2022	Maximum exposure to credit risk	Cash	Securities	Bank guarantees	Plant and machinery	Land and building	Book debts, inventory and other working capital items	Surplus collateral	Total collateral	Net exposure
Loans	2,58,68,40,988	-	-	-	-	4,45,37,46,545	2,70,04,34,217	-	7,15,41,80,762	-
Total financial assets at amortised cost	2,58,68,40,988	-	-	-	-	4,45,37,46,545	2,70,04,34,217	-	7,15,41,80,762	-
Other commitments	-	-	-	-	-	-	-	-	-	-

Type of credit enhancement or collateral		Fair value of collateral and credit enhancements held under the base case scenario								
As at March 31 2021	Maximum exposure to credit risk	Cash	Securities	Bank guarantees	Plant and machinery	Land and building	Book debts, inventory and other working capital items	Surplus collateral	Total collateral	Net exposure
Loans	5,15,60,14,432	-	-	-	-	4,70,73,38,785	6,74,00,83,629	-	11,44,74,22,414	-
Total financial assets at amortised cost	5,15,60,14,432	-	-	-	-	4,70,73,38,785	6,74,00,83,629	-	11,44,74,22,414	-
Other commitments	-	-	-	-	-	-	-	-	-	-

Ravi Rajan & Co. LLP Chartered Accountants New Delhi

Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March 2022
(All amounts are in Indian Rupees unless otherwise stated)

46.4 Liquidity risk and funding management

Liquidity risk is the risk that the Company will encounter difficulties in meeting the obligations associated with its financial liabilities that are settled by delivering cash or other financial assets. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Company has in place an Asset-Liability Management Committee (ALCO) which functions as the operational unit for managing the Balance Sheet within the performance and risk parameters laid down by the Board and Risk Committee of the Board. ALCO reviews Asset Liability strategy and Balance Sheet management in relation to asset and liability profile. ALCO ensures that the objectives of liquidity management are met by monitoring the gaps in the various time buckets, deciding on the source and mix of liabilities, setting the maturity profile of the incremental assets and liabilities etc. Key principles adopted in the Company's approach to managing liquidity risk include:

a) Monitoring the Company 's liquidity position on a regular basis, using a combination of contractual and behavioural modelling of balance sheet and cash flow information .

b) Maintaining a high quality liquid asset portfolio or maintaining undrawn bank lines.

c) Operating a prudent funding strategy which ensures appropriate diversification and limits maturity concentrations.

46.4.1. Liquidity ratios

Advances to borrowings ratio

	31-Mar-22	31-Mar-21
Year-end	2.02	1.60
Maximum during the last 12 months	2.40	1.66
Minimum during the last 12 months	0.99	1.27
Average during the last 12 months	1.67	1.42

46.4.2. Analysis of financial liabilities by remaining contractual maturities

The table below summarises the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include interest accrued till the reporting date.

Maturity pattern of liabilities as at March 31, 2022:

Particulars	On demand	Less than 3 months	Over 3 months & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Financial liabilities								
Trade payables	-	38,31,640	-	-	-	-	-	38,31,640
Debt securities	-	5,61,49,412	-	-	74,78,98,402	-	-	80,40,38,814
Borrowings (other than debt securities)	-	49,90,42,866	-	-	-	-	-	49,90,42,866
Other financial liabilities	-	63,06,090	41,01,406	89,18,643	3,00,66,308	-	-	4,93,92,418
Total undiscounted financial liabilities	-	**56,53,20,308**	**41,01,406**	**89,18,643**	**77,79,64,503**	-	-	**1,35,63,04,958**

Maturity pattern of liabilities as at March 31, 2021:

Particulars	On demand	Less than 3 months	Over 3 months & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Financial liabilities								
Trade payables	-	39,98,364	-	-	-	-	-	39,98,364
Debt securities	-	27,58,41,368	12,91,72,945	1,49,81,14,708	34,75,77,173	-	-	2,65,03,06,270
Borrowings (other than debt securities)	-	32,89,75,602	-	-	24,21,38,867	-	-	57,11,14,469
Other financial liabilities	-	7,75,15,874	35,31,310	77,82,535	3,65,82,940	1,06,00,375	-	13,79,98,234
Total undiscounted financial liabilities	-	**68,61,71,308**	**13,27,34,459**	**1,50,58,83,333**	**1,02,63,88,980**	**1,06,00,375**	-	**3,36,36,17,517**

(All amounts are in Indian Rupees unless otherwise stated)

46.5 Market risk
Market Risk is the possibility of loss to the Company caused by the changes in the market variables. It is the risk that the value of on and off-balance sheet positions (and hence profits and even financial stability) will be adversely affected by movements in equity and interest rate. Asset Liability Management (ALM) is a part of the overall risk management system at the Company and is focused on Market Risk. It implies examination of all the assets and liabilities simultaneously on a continuous basis with a view to ensuring a proper balance between funds mobilization and their deployment with respect to their a) maturity profiles, b) cost and c) availability. The Company has a detailed ALM policy and it adheres to the same.

46.6 Interest rate risk
This is the potential negative impact on the Net Interest Income and it refers to the vulnerability of financial condition to the movement in interest rates. Changes in interest rate affect earnings, borrowing costs, value of assets and cash flow. Earnings perspective (impact on P&L) involves analysing the impact of changes in interest rates on reported earnings and borrowings over the life of the asset or liability. This is measured by measuring the changes in the Net Interest Income equivalent to the difference between total interest income and total interest expense due to changes in interest rates. It is preferable to alter the approach of the interest rate policy to borrowers depending on the stage of interest rates in the cycle i.e. in a rising interest rate scenario, it is advisable to keep variable lending interest rates and keep fixed lending interest rates in a falling interest rate scenario and vis a versa for borrowings. This is a guiding indicator and may be adhered to as much as possible while keeping business interests in mind.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) on the Company's statement of profit and loss and equity.

Market indices	Change in Interest rate	31 March, 2022		31 March, 2021	
		Impact on profit before tax	Impact on equity	Impact on profit before tax	Impact on equity
Interest rate	100 Basis Points down	2,42,44,923	1,68,99,748	2,82,13,644	1,90,37,569
	100 Basis Points Up	(2,42,44,923)	(1,68,99,748)	(2,82,13,644)	(1,90,37,569)

46.7 Operational risk
Companies are faced with inherent risks arising out of human error, financial fraud and natural disasters. Operational risk, though defined as any risk that is not categorized as market or credit risk, is the risk of loss arising from inadequate or failed internal processes, people and systems or from external events. In order to mitigate this, internal control and internal audit systems are used as the primary means. Operational risk events are associated with weak links in internal control procedures. The key to management of operational risk lies in the Company's ability to assess its processes and establish controls while providing for unanticipated worst-case scenarios. The Company has well laid out authorization matrix for each of its operational activities and shall adhere to the same. Effective controls have been established within the Company and these are verified by the internal auditors. One of the major tools in managing operational risk is a well-established internal control system and flow of information, documents and reporting. Accordingly, the Credit Policy has been detailed out to provide a streamlined and process driven method to providing loans. Each activity from loan sourcing to final disbursement and closure has been clearly spelt out. Further a proper system of monthly reporting to the Board of Directors and Investors has been established in order to take care of the timely reporting requirements. ALM Policy further defines the duties of the ALCO and ALCO's reporting requirements in order to manage the operational risk. Insurance is also one of the methods to mitigate some elements of operational risk and has been taken for all the physical assets of the Company.

46.8 Integrated risk
Companies are faced with varied categories of risk such as personnel risk, financial risk, legal risk etc. Thus, integrated risk can be defined as attached with various activities, operations or transactions and with external risks (risks related to legislative changes etc.) that may affect overall organization. The main objective to identify integrated risk is to protect assets, ensure continuity of organization's activities and adopting effective risk mitigation strategy. The Company ensures to manage the integrated risk by identifying all risks that affect the implementation of processes and activities attached to an organizational goal; it can assess the overall consequences and adopt measures depending on the level of uncertainty and the existing inherent risk that affects achieving objectives set. Integrated risk mitigation exercise helps to increase efficiency within the organization by administrative or managerial ways, such as better allocation of resources.

Ravi Rajan & Co. LLP
New Delhi
Chartered Accountants

Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March 2022
(All amounts are in Indian Rupees unless otherwise stated)

Note 47: Additional Disclosures required by the Reserve Bank of India ('RBI')

Additional Disclosures as per the guidelines issued by the Reserve Bank of India in respect of Non-Banking Financial (Non Deposit accepting or holding) Systemically important (NBFC-NDSI) as under :

The disclosures are based on the Ind-AS financial statements. Accordingly, the corresponding comparative figures for the previous year have been restated wherever applicable.

a. **Capital funds, risk assets/ exposure and risk asset ratio (CRAR) as at 31 March 2022**

Sr.No	Item	31-Mar-22	31-Mar-21
1	CRAR (%)	85.67%	63.17%
2	CRAR - Tier I capital (%)	84.60%	62.71%
3	CRAR - Tier II Capital (%)	1.07%	0.46%
4	Amount of subordinated debt raised as Tier-II capital	-	-
5	Amount raised by issued of Perpetual Debt Instruments	-	-

b. **Investments**

Sr.No	Particulars	31-Mar-22	31-Mar-21
1	Value of investments		
	(i) Gross value of investments		
	(a) in India	198,47,41,928	147,58,00,000
	(a) outside India	-	-
	(ii) Provision for depreciation		
	(a) in India	-	-
	(a) outside India	-	-
	(iii) Net value of investments		
	(a) in India	198,47,41,928	147,58,00,000
	(a) outside India	-	-
2	Movement of provisions held towards depreciation on investments		
	(i) Opening balance	-	-
	(ii) Add : Provisions made during the year	-	-
	(iii) Less : Write-off/ write-back of excess provision during the year	-	-
	(i) Closing balance	-	-

c. **Derivatives**

The Company has no transactions / exposure in derivatives in the current and previous year.

d. **Disclosures relating to Securitisation**

The Company has not entered in securitisation transaction during the year and had no outstanding securitisation transactions for earlier years.

Ravi Rajan & Co. LLP
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(All amounts are in Indian Rupees unless otherwise stated)

e. **Details of Financial Assets sold to Securitisation / Reconstruction Company for Asset Reconstruction**

Sr.No	Particulars	31-Mar-22	31-Mar-21
(i)	No.of accounts (Borrowers)	5	2
(ii)	Aggregate value (net of provisions) of accounts sold	57,07,88,260	1,07,73,13,118
(iii)	Aggregate consideration	73,29,74,841	1,05,00,00,000
(iv)	Aggregate consideration realised in respect of accounts transferred in earlier years	-	-
(v)	Aggregate gain/(loss) over net book value	16,21,86,581	(2,73,13,118)

f. **Details of Assignment transactions**
The Company has not undertaken any assignment transactions in the current and previous year.

g. **Details of non-performing financial assets purchase / sold**
The Company has not purchased /sold any non-performing financial assets in the current and previous year. However the company has sold five loan accounts (previous year two) to an asset reconstruction company, details of which are disclosed in (e) above.

Ravi Rajan & Co. LLP * Chartered Accountants * New Delhi

Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March 2022
(All amounts are in Indian Rupees unless otherwise stated)

h. **Exposure**

i. Exposure to Real Estate Sector

(Amount in Rs. crores)

Sr.No	Category	31-Mar-22	31-Mar-21
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		-
(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 & construction etc.). Exposure would also include non-fund based (NFB) limits;	204.24	400.33
(iii)	**Investments in Mortgage Backed Securities (MBS) and other securitised exposures -**		
1	Residential,	-	-
2	Commercial Real Estate	-	-
	Total Exposure to Real Estate Sector	**204.2372**	**400.33**

ii. Exposure to Capital Market

(Amount in Rs. crores)

	Particulars	31-Mar-22	31-Mar-21
(i)	direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;		
(ii)	advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii)	advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv)	advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-
(v)	secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi)	loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii)	bridge loans to companies against expected equity flows / issues;	-	-
(viii)	all exposures to Venture Capital Funds (both registered and unregistered)	-	-
(ix)	others	-	1.38
	Total Exposure to Capital Market	-	**1.38**

i. **Details of financing of parent company products**
None

j. **Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC**
The Company has not lent/ invested/ lent and invested in Single Borrower / Single Group of Borrowers in excess of limits prescribed by the RBI.

k. **Unsecured Advances**
The Company has not given any unsecured advances against the rights, licenses, authorisations etc.

l. **Registration obtained from other financial sector regulators**
The Company is not registered with any financial sector regulators except with Reserve Bank of India.

m. **Disclosure of Penalties imposed by RBI and other regulators**
No penalties were imposed by the RBI and other regulators during current and previous year.

Ravi Rajan & Co. LLP
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Chartered Accountants

Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March 2022
(All amounts are in Indian Rupees unless otherwise stated)

n Provisions and contingencies (shown under the head expenditure in Statement of Profit and Loss):

(Amount in Rs. crores)

Sr.No.	Particulars	31-Mar-22	31-Mar-21
(i)	Provision made towards Income tax	-	9.64
(ii)	Provision for bonus	-	-
(iii)	Provision for Employee Stock Option Plan (ESOP)	(0.00)	(0.75)
(iv)	Provision for gratuity	0.12	0.39
(v)	Provision for leave encashment	(0.05)	(0.07)
(vi)	Provision for expected credit losses (excluding provision towards NPA)	(32.94)	26.89
(vii)	Provision towards NPA	1.78	-
(viii)	Provisions for depreciation on Investment	-	-

o. Draw Down from Reserves

There has been no draw down from reserves during the current year and in the previous year.

p. Concentration of Advances, Exposures and NPAs

i) Concentration of Advances

(Amount in Rs. crores)

Particulars	31-Mar-22	31-Mar-21
Total Advances to twenty largest borrowers	249.39	475.14
Percentage of Advances to twenty largest borrowers to Total Advances	100%	100%

ii) Concentration of Exposures

(Amount in Rs. crores)

Particulars	31-Mar-22	31-Mar-21
Total Exposures to twenty largest borrowers / customers	249.39	475.14
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure on borrowers / customers	100%	100%

iii) Concentration of NPAs

(Amount in Rs. crores)

Particulars	31-Mar-22	31-Mar-21
Total of Exposures to top four NPA accounts*	15.45	-

iv) Sector-wise NPAs (% of NPA to Total Advances in that sector)

Particulars	31-Mar-22	31-Mar-21
Agriculture & allied activities	-	-
MSME	-	-
Corporate borrowers	15.45	-
Services	-	-
Unsecured personal loans	-	-
Auto loans	-	-
Other personal loans	-	-

v) Movement of NPAs

(Amount in Rs. crores)

Particulars		31-Mar-22	31-Mar-21
(i)	**Net NPAs to Net Advances (%)**	-	-
(ii)	**Movement of NPAs (Gross):**		
(a)	Opening balance	-	-
(b)	Additions during the year	105.62	-
(c)	Reductions during the year	90.18	-
(d)	**Closing balance**	**15.45**	-
(iii)	**Movement of Net NPAs**		
(a)	Opening balance	-	-
(b)	Additions during the year	70.75	-
(c)	Reductions during the year	57.08	-
(d)	**Closing balance**	**13.67**	-
(iv)	**Movement of provisions for NPAs (excluding provisions on standard assets)**		
(a)	Opening balance	-	-
(b)	Provisions made during the year	34.87	-
(c)	Write-off / write-back of excess provisions	33.10	-
(d)	**Closing balance**	**1.78**	-

Ravi Rajan & Co. LLP New Delhi

Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March 2022
(All amounts are in Indian Rupees unless otherwise stated)

vi) Reconciliation of Asset Classification as per provisions required under Income Recognition, Asset Classification and Provisioning ('IRACP') and impairment allowances as per Ind AS 109

Asset Classification as per RBI Norms	Asset Classification as per Ind AS 109	Gross carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5) = (3) - (4)	(6)	(7) = (4) - (6)
Performing Assets						
Standard	Stage 1	1,89,37,34,433	5,36,14,099	1,84,01,20,335	3,78,59,119	1,57,54,980
	Stage 2	51,95,88,444	2,15,83,958	49,80,04,486	2,09,34,060	6,49,899
Subtotal		**2,41,33,22,877**	**7,51,98,057**	**2,33,81,24,821**	**5,87,93,179**	**1,64,04,878**
Non-Performing Assets (NPA)						
Substandard	Stage 3	17,35,18,111	1,77,64,496	15,57,53,615	1,54,47,388	23,17,108
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		-	-	-	-	-
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	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	**Stage 1**	**1,89,37,34,433**	**5,36,14,099**	**1,84,01,20,335**	**3,78,59,119**	**1,57,54,980**
	Stage 2	**51,95,88,444**	**2,15,83,958**	**49,80,04,486**	**2,09,34,060**	**6,49,899**
	Stage 3	**17,35,18,111.00**	**1,77,64,496.00**	**15,57,53,615.00**	**1,54,47,387.60**	**23,17,108.40**
	Total	**2,58,68,40,988**	**9,29,62,553**	**2,49,38,78,436**	**7,42,40,566**	**1,87,21,987**

q. **Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)**
The Company has not invested in overseas assets in the current and previous year. There are no outstanding investments from earlier years.

r. **Off-balance Sheet SPVs sponsored by the Company**
The Company has no off-balance sheet SPV in the current and previous year.

s. **Disclosure of Complaints**
The Company has not received any complaints in the current and previous year.

Rajan & Co. LLP
New Delhi

Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March 2022
(All amounts are in Indian Rupees unless otherwise stated)

iii **Ratings assigned by credit rating agencies and migration of ratings during the year**

Sr.No.	Instruments	Credit Rating Agency	As on March 31, 2022	As on March 31, 2021
1	Long Term Borrowing Programme	ICRA Limited	[ICRA] BBB+ (Stable)	[ICRA] A+ (Stable)
2	Short Term Borrowing Programme	ICRA Limited	-	[ICRA] A1+

iv **Statement on Asset Liability Management**

Maturity pattern of certain items of assets and liabilities as at 31 March 2022

(Amount in Rs. crores)

Sr.No	Item	0-7 days	8-14 days	15 days to 1 month	Over 1 month to 2 months	Over 2 months up to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
1	Deposits	-	-	-	-	-	-	-	-	-	-	-
2	Advances	0.55	-	26.23	10.53	4.23	22.40	69.44	98.73	17.27	-	249.39
3	Investments	-	-	-	-	-	21.00	-	17.25	-	160.22	198.47
4	Borrowings	-	-	-	2.20	53.32			74.79	-	-	130.31
5	Foreign Currency assets	-	-	-	-	-	-	-	-	-	-	-
6	Foreign Currency liabilities	-	-	-	-	-	-	-	-	-	-	-

v. **Restructured advances**

The Company has restructured the following accounts pursuant to RBI notification - RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 6 August 2020 on Resolution Framework for Covid-19 related stress

Disclosure pursuant to RBI notification - RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 6 August 2020 for the year ended March 31, 2022

(Amount in Rs. crores)

Type of borrower	(A) Exposure to accounts classified as standard consequent to implementation of resolution plan - Position as at the end of the previous year	(B) Of (A), aggregate debt that slipped to NPA during the year	(C) Of (A), amount written off during the half-year	(D) Of (A) amount paid by the borrowers during the year	(E) Exposure to accounts classified as standard consequent to implementation of resolution plan - Position as at the end of the year
Personal Loans	-	-	-	-	-
Corporate persons*	140.30	31.84	-	24.25	85.79
of which, MSMEs	19.70	-	-	-	19.70
Others	120.60	31.84	-	24.25	66.09
Total	140.30	31.84	-	24.25	85.79

w. **Fraud Reporting**

As required to be reported by the Chapter II paragraph 5 for Monitoring of frauds in NBFCs (Reserve Bank) Directions, 2016, there have been no frauds noticed / reported during current and previous year

x. The Company has not disbursed any loans against the security of gold.

xi Disclosures pursuant to RBI notification - RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated 24 September 2021

Details of stressed loans (NPA) transferred during the year

(All amounts in Rs. crores)

	To ARC's	To Permitted transferees	To other transferees
No. of Accounts	5	-	-
Aggregate principal outstanding of loans transferred	90.18	-	-
Weighted average residual tenor of the loans transferred	1.22 years	-	-
Net book value of loans transferred (at the time of transfer)	57.08	-	-
Aggregate consideration	73.30	-	-
Additional consideration realized in respect of accounts transferred in earlier years	-	-	-

The Company has not acquired any loans (stressed or otherwise) during the financial year ending March 31, 2022.

Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March 2022
(All amounts are in Indian Rupees unless otherwise stated)

Note 48: Public disclosure on Liquidity Risk Management of the Company

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

(Amount in Rs. crores)

Sr. No.	Number of Significant Counterparties	Amount	% of total deposits	% of total borrowings
1	2	124.92	0%	100%

Note : A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSI's,

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

The Company is a non-deposit taking systemically important non banking finance company and does not accept any deposits from the public

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

(Amount in Rs. crores)

Type	Sanctioned	Drawn	Outstanding	% of total borrowings
Non - Convertible Debentures	75.00	75.00	75.00	60%
Cash Credit	50.00	49.92	49.92	40%

(iv) Funding concentration based on significant instrument/product

(Amount in Rs. crores)

Name of the Instrument	Amount	% of total borrowings
Non - Convertible Debentures	75.00	60%
Cash Credit	49.92	40%
	124.92	

A "significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs

(v) Stock Ratios:

(a) Commercial papers as a % of total public funds, total liabilities and total assets
The Company has not raised any funds through issuance of Commercial Papers (CPs) and hence this disclosure is not applicable

(b) Non-convertible debentures (original maturity of less than one year) as a % of total public funds, total liabilities and total assets
The Company does not have any Non-convertible debentures with original maturity of less than one year and hence this disclosure is not applicable

(c) Other short-term liabilities, if any as a % of total public funds, total liabilities and total assets

(Amount in Rs. crores)

Short term liabilities (Amount in Rs. Crores)	% of Total Liabilities	% of Total Assets	% of Public Funds
4.78	0.84%	0.84%	3.83%

The above stated 'Other short-term liabilities' do not include cash credit facilities.

(vi) Institutional set-up for liquidity risk management
The Company has a board approved Asset - Liabilities Management Policy which outlines various parameters for Liquidity Risk Management.

Ravi Rajan & Co. LLP
New Delhi
Chartered Accountants

Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March 2022
(All amounts are in Indian Rupees unless otherwise stated)

Note 49: Earnings and expenditure in foreign currency (on accrual basis)
During the year, the Company has incurred foreign currency expenditure of Rs.3,91,230 (Previous year Rs 4,11,830). The Company did not have any foreign exchange earnings.

Note 50: Net dividend remitted in foreign exchange

Year of remittance (ended on)	March 31, 2022	March 31, 2021
Period to which it relates	1 April 2021 to 31 March 2022	1 April 2020 to 31 March 2021
Number of non-resident shareholders	1	1
Number of equity shares held on which dividend was due	14,73,40,880	14,72,40,880
Amount remitted (in USD)	1,50,02,370	19,68,188
Amount remitted (in INR)	111,83,81,619	15,41,45,619

Amount remitted during the year ended March 31, 2022 is net of applicable withholding taxes

Note 51: Segment information
The Company is primarily engaged in the business of financing and accordingly there are no separate reportable segments as per Ind AS 108 dealing with Operating segment.

Note 52: Dues payable to Micro, Small and Medium Enterprises
There are no amounts that need to be disclosed in accordance with the Micro Small and Medium Enterprise Development Act, 2006 (the 'MSMED') pertaining to micro or small enterprises, as no supplier has intimated the Company about its status as micro or small enterprise or its registration with the appropriate authority under MSMED.

Particulars	As at March 31, 2022	As at March 31, 2021
Principal and interest amount remaining unpaid	-	-
Interest due thereon remaining unpaid	-	-

Note 53: Impact of Covid-19 on Financial statements
The outbreak of Covid-19 pandemic across the globe and in India has contributed to a significant decline and volatility in the global and Indian financial markets and slowdown in the economic activities. In accordance with the Reserve Bank of India ("RBI") guidelines relating to "Covid-19 Regulatory Package" dated March 27, 2020 and subsequent guidelines on EMI moratorium dated April 17, 2020 and May 23, 2020 , the Company had offered moratorium to its borrowers based on requests for instalments falling due between March 1, 2020 and August 31, 2020. Further, the Company offered resolution plan to its borrowers pursuant to the RBI's guideline "Resolution framework for Covid-19 related stress" dated August 6, 2020. Further, the Company has based on current available information estimated and applied management overlays based on the policy approved by the board for the purpose of determination of the provision for impairment of financial assets. The aggregate expected credit loss provision on financial assets as at March 31, 2022 is Rs. 329.57 lakhs which includes Covid overlay of Rs. 12.46 lakhs. The Company considers that the provision is adequate and reasonable under the current circumstances. Based on facts and circumstances, the Company does not anticipate any material changes to the carrying value of assets and liabilities existing as on the Balance Sheet date.
The eventual outcome of the impact of the global pandemic may be different from those estimated as on the date of approval of these financial results and the Company will continue to monitor any material changes to the future economic conditions. Given the dynamic and evolving nature of the pandemic, these estimates include the possible impact of known events till date and are subject to uncertainty caused by resurgence COVID-19 pandemic and related events.

Note 54: The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Note 55 : Note on Property, Plant & Equipment and Intangible Assets
The company does not have any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the company.
The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Assets).
The Company has not revalued its Intangible assets during the year.

Note 56 : Loans or advances to related parties
The company has not granted 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.

Note 57 : Capital-Work-in Progress (CWIP)
The company does not have any Capital-Work-in Progress (CWIP).

Note 58: Intangible assets under development
The company does not have any Intangible assets under development.

Note 59: Details of Benami Property held
The company does not hold any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

Note 60: Note on Borrowings
The Company has borrowings from banks or financial institutions secured against pari passu charge on standard asset portfolio of book debts and receivables of the company.
The monthly and quarterly returns or statement on book debts and receivables filed by the Company with banks or financial institutions are in agreement with the books of accounts.

Note 61: Willful Defaulter
The company is not declared a willful defaulter by any bank or financial institution or other lender.

Note 62: Relationship with Struck off Companies
The company does not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.

Note 63: Compliance with number of layers of companies
The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

Note 64: Utilisation of Borrowed funds and share premium
The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries).

Note 65: Previous year figures
Figures for the previous year have been regrouped, rearranged or reclassified, where necessary to conform to the current year's classification.

For RAVI RAJAN & CO. LLP
ICAI Firm's Registration number: 009073N/N500320
Chartered Accountants

Jon Jaydeep A Iyer
Partner
Membership No. 221509

Place: Bangalore
Date : May 27, 2022

For and on behalf of the Board of Directors of
Xander Finance Private Limited

Tariq Chinoy
Director
DIN No : 08850048

Rajesh Nagar
Director
DIN No : 09341856

Hiral Shah
Company Secretary

Place: Mumbai
Date : May 27, 2022

Xander Finance Private Limited
Annexure to the standalone financial statements as at 31 March 2022

Schedule to the financial statements as required under Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016

	Particulars	As at 31 March 2022		As at 31 March 2021	
	Liabilities Side				
1)	**Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:**	**Amount Outstanding**	**Amount Overdue**	**Amount Outstanding**	**Amount Overdue**
	(a) Debentures : Secured	80,40,28,814	-	2,65,05,06,270	-
	: Unsecured	-	-	-	-
	(Other than falling within the meaning of public deposit)				
	(b) Deferred Credits	-	-	-	-
	(c) Term Loans	-	-	57,11,14,468	-
	(d) Inter-corporate loans and borrowing	-	-	-	-
	(e) Commercial Paper	-	-	-	-
	(f) Other Loans (Cash Credit/ Working Capital/ Demand Loan Facilities)	49,50,42,066	-	-	-
	Assets Side				
		Amount Outstanding		**Amount Outstanding**	
2)	**Break-up of Loans and Advances including bills receivables [other than those included in (4) below]**				
	(a) Secured		2,49,38,78,435		4,75,14,28,692
	(b) Unsecured		-		-
3)	**Break up of Leased Assets and stock on hire and other assets counting towards AFC activities**		-		-
	(i) Lease assets including lease rentals under sundry debtors:				
	(a) Financial lease				
	(b) Operating lease				
	(ii) Stock on hire including hire charges under sundry debtors:				
	(a) Assets on hire				
	(b) Repossessed Assets				
	(iii) Other loans counting towards AFC activities				
	(a) Loans where assets have been repossessed				
	(b) Loans other than (a) above				

Ravi Rajan & Co. LLP
New Delhi

Xander Finance Private Limited
Annexure to the standalone financial statements as at 31 March 2022

Schedule to the financial statements as required under Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016

4)	Break-up of Investments	Amount Outstanding	Amount Outstanding
	Current Investments		
	1. Quoted		
	(i) Shares : (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others (please specify)	-	-
	2. Unquoted		
	(i) Shares : (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others (please specify)	-	-
	Long Term investments		
	1. Quoted		
	(i) Shares : (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others (please specify)	-	-
	2. Unquoted		
	(i) Shares : (a) Equity	12,00,00,000	12,00,00,000
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others	1,46,47,41,928	1,35,58,00,000

Xander Finance Private Limited
Annexure to the standalone financial statements as at 31 March 2022

Schedule to the financial statements as required under Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016

5)	Borrower group-wise classification of assets financed as in (2) and (3) above						
	Category	Amount net of provisions as at 31 March 2022			Amount net of provisions as at 31 March 2021		
		Secured	Unsecured	Total	Secured	Unsecured	Total
	1. Related Parties						
	(a) Subsidiaries	-	-	-	-	-	-
	(b) Companies in the same group	-	-	-	-	-	-
	(c) Other related parties	-	-	-	-	-	-
	Total	-	-	-	-	-	-
	2. Other than related parties	2,49,20,78,635	-	2,49,20,78,635	4,75,14,28,692	-	4,75,14,28,692
	Less: Provision for sub-standard assets	-	-	-	-	-	-
	Total	2,49,20,78,635	-	2,49,20,78,635	4,75,14,28,692	-	4,75,14,28,692
	Total	2,49,20,78,635	-	2,49,20,78,635	4,75,14,28,692	-	4,75,14,28,692

6)	Investor group-wise classification of all investments (current and long term) in shares	As at 31 March 2022		As at 31 March 2021	
	Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
	1. Related Parties				
	(a) Subsidiaries	12,00,00,000	12,00,00,000	12,00,00,000	12,00,00,000
	(b) Companies in the same group	-	-	-	-
	(c) Other related parties	-	-	-	-
	2. Other than related parties	1,86,47,41,928	1,86,47,41,928	1,35,50,00,000	1,35,50,00,000
	Total	198,47,41,928	1,984,741,928	147,50,00,000	1,475,000,000

7)	Other Information		
		As at 31 March 2022	As at 31 March 2021
(i)	Gross Non-Performing Assets		
	(a) Related parties	-	-
	(b) Other than related parties	15,44,73,876	-
(ii)	Net Non-Performing Assets		
	(a) Related parties	-	-
	(b) Other than related parties	13,67,09,380	-
(iii)	Assets acquired in satisfaction of debt	22,79,28,632	38,02,82,475

For RAVI RAJAN & CO. LLP
ICAI Firm's Registration number: 009073N/N500320
Chartered Accountants

per Jayanth Ajayer
Partner
Membership No. 231549

Place: Bangalore
Date:- May 27, 2022

For and on behalf of the Board of Directors of
Xander Finance Private Limited

Tariq Chinoy
Director
DIN No.: 00830666

Rajesh Jogi
Director
DIN No.: 03596136

Hiral Shah
Company Secretary

Place: Mumbai
Date:- May 27, 2022