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Independent Auditor's Report

To the Board of Directors of Annapurna Finance Private Limited

Report on the audit of the Standalone annual financial results

Opinion

We have audited the accompanying standalone annual financial results of Annapurna Finance Private Limited (hereinafter referred to as the "Company") for the year ended 31 March 2024, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 52 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone annual financial results:

- are presented in accordance with the requirements of Regulation 52 of the Listing Regulations in this regard; and
- give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, the circulars, guidelines and directions issued by Reserve Bank of India from time to time ("RBI Guidelines") to the extent applicable and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the year ended 31 March 2024.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 (the "Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone annual financial results* section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our opinion on the standalone annual financial results.

Management's and Board of Directors' Responsibilities for the Standalone Annual Financial Results

These standalone annual financial results have been prepared on the basis of the standalone annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these standalone annual financial results that give a true and fair view of the net profit / loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and RBI Guidelines to the extent applicable and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in

Registered Office:

Independent Auditor's Report (Continued)**Annapurna Finance Private Limited**

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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are responsible for overseeing the Company's financial reporting process.

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone annual financial results made by Management and the Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone annual financial results, including the disclosures, and whether the standalone annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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

Independent Auditor's Report (Continued)

Annapurna Finance Private Limited

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.

Other Matter

The annual financial results include the results for the quarter ended 31 March 2024 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022



Sameer Mota

Partner

Bhubaneswar

21 May 2024

Membership No.: 109928

UDIN: 24109928BKDBEA9564

Statement of Standalone Financial Results for the quarter and year ended March 31, 2024

Sr. No.	Particulars	(INR in Lakhs except for earnings per share data)				
		Quarter ended			Year ended	
		March 31, 2024 (Audited)	December 31, 2023 (Unaudited)	March 31, 2023 (Audited)	March 31, 2024 (Audited)	March 31, 2023 (Audited)
1	INCOME					
	(a) Revenue from operations					
	Interest income	40,672	43,084	27,570	1,64,779	1,20,896
	Fees and commission income	2	-	1	4	24
	Net gain on fair value changes	324	298	490	1,503	1,111
	Net gain on derecognition of financial instruments measured at fair value through other comprehensive income	15,939	8,988	14,831	39,673	33,747
	Total revenue from operations	56,937	52,370	42,892	2,05,959	1,55,778
	(b) Other income	651	282	207	1,467	1,179
	Total income	57,588	52,652	43,099	2,07,426	1,56,957
2	EXPENSES					
	(a) Finance costs	20,228	20,148	17,982	80,220	66,531
	(b) Impairment on financial instruments	12,464	7,406	12,400	32,796	36,184
	(c) Employee benefits expenses	13,091	12,104	10,172	49,611	39,062
	(d) Depreciation, amortization and impairment	480	432	295	1,623	1,244
	(e) Other expenses	3,755	2,966	1,990	12,073	9,518
	Total expenses	50,018	43,056	42,839	1,76,323	1,52,539
3	Profit before exceptional items and tax (1-2)	7,570	9,596	260	31,103	4,418
4	Exceptional items	-	-	-	-	-
5	Profit before tax (3-4)	7,570	9,596	260	31,103	4,418
6	Tax expense					
	Current tax	169	-	-	169	-
	Deferred tax	1,731	2,418	335	7,692	1,146
	Total tax expense	1,900	2,418	335	7,861	1,146
7	Profit/(loss) for the period / year from continuing operations (5-6)	5,670	7,178	(75)	23,242	3,272
8	Profit / (loss) from discontinued operations	-	-	-	-	-
9	Tax expense of discontinued operations	-	-	-	-	-
10	Profit / (loss) from discontinued operations (after tax) (8-9)	-	-	-	-	-
11	Profit/(loss) for the period / year (7+10)	5,670	7,178	(75)	23,242	3,272
12	Other Comprehensive Income (OCI)					
	(a) (i) Items that will not be reclassified to profit or loss					
	- Re-measurement of the defined benefit liabilities	(14)	65	28	110	60
	(ii) Income tax relating to items that will not be reclassified to profit or loss	3	(16)	(7)	(28)	(15)
	Sub-total (a)	(11)	49	21	82	45
	(b) (i) Items that will be reclassified to profit or loss					
	- Fair value of loans and advances	(3,518)	1,246	1,570	(5,444)	2,768
	- Cashflow hedges	671	(687)	71	(601)	496
	- Fair value of investments	(4)	-	-	(4)	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	718	(141)	(413)	1,523	(821)
	Sub-total (b)	(2,133)	418	1,228	(4,526)	2,443
	Other comprehensive income/ (loss) (a+b)	(2,144)	467	1,249	(4,444)	2,488
13	Total comprehensive income for the period / year (11+12)	3,526	7,645	1,174	18,798	5,760
14	Earnings per share (face value of Rs 10/- each) (not annualised for interim periods)					
	(a) Basic (Rs)	5.45	7.88	(0.08)	24.63	3.93
	(b) Diluted (Rs)	5.06	6.37	(0.08)	20.64	3.34



ANNAPURNA FINANCE PRIVATE LIMITED

Registered Office:- Plot No. 1215/1401, Khandagiri Bari, Infront of Jaydev Vatika, Bhubaneswar - 751030

CIN: U65999OR1986PTC015931

Note 1

Standalone balance sheet

(INR in Lakhs)

Sr. No.	Particulars	As at March 31, 2024	As at March 31, 2023
		(Audited)	(Audited)
	ASSETS		
(1)	Financial assets		
(a)	Cash and cash equivalents	25,936	75,679
(b)	Bank balance other than (a) above	48,197	84,034
(c)	Derivative financial instruments	1,620	2,187
(d)	Receivables		
(i)	Trade receivables	2	-
(ii)	Other receivables	-	-
(e)	Loans	7,44,952	6,32,625
(f)	Investments	19,998	10,049
(g)	Other financial assets	50,428	39,800
	Subtotal - financial assets (A)	8,91,133	8,44,374
(2)	Non-financial assets		
(a)	Current tax assets (net)	4,704	4,007
(b)	Deferred tax assets (net)	-	2,828
(c)	Property, plant and equipment	2,853	2,386
(d)	Other intangible assets	492	422
(e)	Other non-financial assets	2,414	3,768
	Subtotal - Non- financial assets (B)	10,463	13,411
	Total assets (A+B)	9,01,596	8,57,785
	LIABILITIES AND EQUITY		
	Liabilities		
(1)	Financial liabilities		
(a)	Derivative financial instruments	202	-
(b)	Payables		
(i)	Trade payables		
(i)	Total outstanding dues of micro enterprises and small enterprises	-	-
(ii)	Total outstanding dues of creditors other than micro enterprises and small enterprises	1,601	1,836
(II)	Other payables		
(i)	Total outstanding dues of micro enterprises and small enterprises	-	-
(ii)	Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
(c)	Debt securities	87,787	1,53,008
(d)	Borrowings (other than debt securities)	5,60,417	5,19,132
(e)	Subordinated liabilities	46,264	32,714
(f)	Other financial liabilities	34,385	28,217
	Subtotal - financial liabilities (A)	7,30,656	7,34,907
(2)	Non-financial liabilities		
(a)	Provisions	1,112	1,323
(b)	Deferred tax liabilities (net)	3,370	-
(c)	Other non-financial liabilities	507	724
	Subtotal - non-financial liabilities (B)	4,989	2,047
	Total liabilities (A+B)	7,35,645	7,36,954
(3)	Equity		
(a)	Equity share capital	10,154	8,813
(b)	Instruments entirely equity in nature	300	300
(c)	Other equity	1,55,497	1,11,718
	Subtotal - Equity (C)	1,65,951	1,20,831
	Total liabilities and equity (A+B+C)	9,01,596	8,57,785



Note 2

Standalone statement of cash flows for the year ended March 31, 2024

Particulars	(INR in Lakhs)	
	For the year ended	
	March 31, 2024	March 31, 2023
	(Audited)	(Audited)
Cash flows from operating activities		
Profit before tax	31,103	4,418
Adjustments for:		
Depreciation, amortisation and impairment	1,623	1,244
Impairment on financial instruments	32,796	36,184
Profit on sale of property, plant and equipment	(3)	-
Profit on sale of current investments	(1,503)	(1,111)
Net gain on derecognition of financial instruments measured at FVOCI	(39,673)	(33,747)
Share based payments to employees	32	10
Interest income	(1,58,492)	(1,14,382)
Finance cost	80,153	66,475
Operating loss before working capital changes	(53,964)	(40,909)
Movements in working capital:		
Decrease in other financial and non financial assets	30,529	10,670
Decrease in bank balance other than cash and cash equivalents	35,838	10,855
(Decrease)/Increase in trade receivables	(2)	5
Increase in loans	(1,52,908)	(1,81,975)
Increase in other financial and non financial liabilities	6,206	17,245
(Decrease)/Increase in provisions	(211)	137
(Decrease)/Increase in trade payables	(235)	438
Cash used in operations	(1,34,747)	(1,83,534)
Interest received	1,56,410	1,15,793
Finance cost paid	(81,928)	(67,301)
Income tax paid (net of refunds)	(702)	(1,756)
Net cash flows used in operating activities (A)	(60,967)	(1,36,798)
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,543)	(1,282)
Proceeds from sale of property, plant and equipment	41	-
Purchase of other intangible assets	(409)	(424)
Purchase of current investments	(3,92,635)	(3,80,300)
Proceeds from sale of current investments	3,83,307	3,81,411
Net cash flows used in investing activities (B)	(11,239)	(595)
Cash flows from financing activities		
Proceeds from issuance of equity share capital (including securities premium)	115	11,648
Proceeds from debt securities	14,108	33,563
Repayment of debt securities	(52,815)	(42,567)
Repayment of interest portion of lease liabilities	(67)	(56)
Repayment of principal portion of lease liabilities	(188)	(138)
Proceeds from borrowings (other than debt securities)	4,29,087	4,09,781
Repayment of borrowings (other than debt securities)	(3,82,377)	(2,93,707)
Proceeds of subordinated liabilities	22,000	2,000
Repayment of subordinated liabilities	(7,400)	(2,500)
Share issue expenses	-	(86)
Net cash flows generated from financing activities (C)	22,463	1,17,938
Net decrease in cash and cash equivalents (A+B+C)	(49,743)	(19,455)
Cash and cash equivalents at the beginning of the year	75,679	95,134
Cash and cash equivalents at the end of the year	25,936	75,679
Components of cash and cash equivalents at the end of the year		
On current accounts	24,234	48,355
Deposit with original maturity of less than three months	1,120	27,102
Cash on hand	582	222
Total cash and cash equivalents at the end of the year	25,936	75,679

Note :

The above statement of cash flows has been prepared under the indirect method set out in IND AS 7 Statement of Cash Flows.



Notes:

- 3 The Standalone financial results of Annapurna Finance Private Limited (the 'Company') together with the results for the comparative reporting periods have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards ('IND AS') as prescribed under section 133 of the Companies Act, 2013 (the 'Act') read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015, as amended (the 'SEBI Listing Regulations'). Any application guidance /clarification /directions issued by Reserve Bank of India ('RBI') or other regulators are implemented as and when they are issued / applicable.
- 4 The Company is a Non-Banking Finance Company registered with RBI as a Non Deposit taking - Systemically Important - Micro Finance Institution.
- 5 The above standalone financial results for the quarter and year ended March 31, 2024 have been reviewed by the Audit Committee and have been approved and taken on record by the board of directors at its meeting held on May 21, 2024. The statutory auditors of the Company have audited the aforesaid results.
- 6 Pursuant to the exercise of options under the employee stock option schemes, the Company has allotted 11,100 and 31,800 equity shares respectively, during the quarter and year ended March 31, 2024.
- 7 Pursuant to receipt of letter dated January 03, 2024 from RBI, on January 04, 2024, the Company has converted 2,20,18,814 Series A1 Compulsory Convertible Preference Shares ('CCPS') by allotting 1,33,74,335 equity shares.
- 8 The Company has breached covenants of 7 loan facilities/ debentures with a carrying amount of INR 33,392 lakhs as at March 31, 2024. These loan facilities/ debentures are repayable in tranches within 28 months. However, these loan facilities/ debentures contained covenants like the Company's GNPA, PAR ratio, etc. at the defined intervals cannot exceed threshold mentioned in each of the agreements otherwise the lenders / debenture holders have right to recall the loan facilities/ debentures. The Company exceeded GNPA, PAR ratio, etc. as at March 31, 2024. However, management has obtained waivers for all loan facilities/ debentures. Accordingly, loan facilities/ debentures with a carrying amount of INR 33,392 lakhs were not payable on demand as at March 31, 2024.
- 9 The Company is primarily engaged in the business of financing and there are no separate reportable operating segments identified as per the IND AS 108 - Segment Reporting.
- 10 The Secured Listed Non-Convertible Debentures of the Company are fully secured by way of a first ranking, exclusive and continuing charge on identified receivables created pursuant to the deed of hypothecation as identified by the Company except for two debentures where additional pari-passu charge has been created by way of mortgage of immovable property. The minimum security of 100% for the Secured Listed Non-Convertible Debentures outstanding has been maintained at all times as per the terms of Term Sheet/ Offer Document/Information Memorandum and/or Debenture Trust Deed, sufficient to discharge the principal amount thereon.
- 11 The standalone financial results includes the results for the quarter ended March 31, 2024 being the balancing figure between audited figures in respect of the full financial year ended 31 March 2024 and the published year to date figures up to the nine months ended of the previous financial year which were subject to a limited review by the statutory auditors of the Company.
- 12 Disclosure pursuant to RBI Notification No RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated August 6, 2020 pertaining to resolution framework for COVID-19 related

Type of borrower	(INR in Lakhs)				
	Exposure to accounts classified as standard consequent to implementation of resolution plan - position as at the end of the previous half-year (A) (September 30, 2023)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year (Refer Note)	Exposure to accounts classified as standard consequent to implementation of resolution plan - position as at the end of this half-year (March 31, 2024)
Personal loans	403	91	-	124	187
Corporate persons	-	-	-	-	-
i) Of which MSMEs	-	-	-	-	-
ii) Others	-	-	-	-	-
Total	403	91	-	124	187

Note: Net of interest amount capitalised during the moratorium period.

- 13 Disclosure pursuant to RBI Notification No RBI/2020-21/32 DOR.STR.REC.12/21.04.048/2021-22 dated May 5, 2021 pertaining to resolution framework-2 for COVID-19 related stress

Type of borrower	(INR in Lakhs)				
	Exposure to accounts classified as standard consequent to implementation of resolution plan - position as at the end of the previous half-year (A) (September 30, 2023)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as standard consequent to implementation of resolution plan - position as at the end of this half-year (March 31, 2024)
Personal loans	618	189	1	237	191
Corporate persons	-	-	-	-	-
i) Of which MSMEs	-	-	-	-	-
ii) Others	-	-	-	-	-
Total	618	189	1	237	191

Note: Net of interest amount capitalised during the moratorium period.

- 14 The Company has not transferred any stressed loans to Asset Reconstruction Companies ('ARCs') during the quarter and year ended March 31, 2024. The Company had sold loans to an ARC on March 28, 2023 and Security Receipts ('SRs') were received as considerations for the transfer of loans. The sale of loans to ARC did not meet the derecognition requirement as per Ind AS 109. However, as the legal form of the asset has changed from loans to investments, it is accounted under investments. SRs have followed the same measurement / classification approach and ECL has been recognized in a similar manner as applicable to the underlying loans. As at March 31, 2024, gross carrying amount of SRs is INR 31,516 lakhs, impairment loss allowance on SR is INR 22,464 lakhs and net carrying amount of SR is INR 9,052 lakhs.

Details of recovery rating assigned for security receipts as on March 31, 2024.

Recovery Rating Scale	Implied recovery	Book Value (INR in Lakhs)
RR3	50% to 75%	31,516



15 Ratios

Particulars	As at March 31, 2024	As at December 31, 2023	As at March 31, 2023
(a) Debt Equity Ratio (Nos. of times)	4.18	5.11	5.83
(b) Debt service coverage ratio	NA	NA	NA
(c) Interest service coverage ratio	NA	NA	NA
(d) Outstanding redeemable preference shares (quantity and value)	NIL	NIL	NIL
(e) Net worth (INR in Lakhs)	1,65,951	1,36,133	1,20,831
(f) Current liability ratio	NA	NA	NA
(g) Current ratio	NA	NA	NA
(h) Long term debt to working capital	NA	NA	NA
(i) Bad debts to accounts receivable ratio	NA	NA	NA
(j) Total debts to total assets (Nos. of times)	0.77	0.80	0.82
(k) Debtors turnover	NA	NA	NA
(l) Inventory turnover	NA	NA	NA
(m) Gross stage III (GNPA) loans* (%)	2.69%	3.17%	3.84%
(n) Net stage III (NNPA) loans* (%)	0.70%	1.00%	1.35%
(o) Provision coverage ratio (PCR) (%)	74.56%	69.19%	65.78%
(p) Capital risk adequacy ratio (CRAR) (%)	25.45%	26.00%	24.66%
(q) Liquidity coverage ratio (LCR) (%)	131.52%	118.86%	359.05%
(r) Capital redemption reserve	NA	NA	NA
(s) Debenture redemption reserve	NA	NA	NA

* Gross and net stage III loans do not include accrued interest of INR 11,172 as at March 31, 2024 (INR 8,893 lakhs as at March 31, 2023) on loans. GNPA and NNPA including accrued interest on gross and net stage III loans is 2.87% and 0.95%, respectively.

Particulars	Quarter ended			Year ended	
	March 31, 2024	December 31, 2023	March 31, 2023	March 31, 2024	March 31, 2023
(a) Net profit margin (%)	9.85%	13.63%	(0.17%)	11.20%	2.09%
(b) Operating margin (%)	NA	NA	NA	NA	NA

Note: Certain ratios/line items marked with remark "NA" are not applicable since the Company is a non banking financial company registered with RBI.

- 16 Details of loans transferred during the quarter and year ended March 31, 2024 under RBI Master Direction RBI.DOR.2021-22/86 DOR.STR.REC.51/21.04.048.2021-22 on Transfer of Loan Exposures dated September 24, 2021 (updated as on December 5, 2022) are given below:

(i) Details of transfer through Direct assignment in respect of loans not in default during quarter and year ended March 31, 2024.

Particulars	For the quarter ended March 31, 2024			For the year ended March 31, 2024		
	To ARC	To permitted transferees	To other transferees	To ARC	To permitted transferees	To other transferees
Number of Loans	-	2,39,010	-	-	5,54,609	-
Aggregate amount (Rs in Lakhs)	-	1,28,657	-	-	3,07,615	-
Sale consideration (Rs in Lakhs)	-	1,15,791	-	-	2,76,853	-
Number of transactions	-	9	-	-	24	-
Weighted average remaining maturity (in months)	-	27	-	-	29	-
Weighted average holding period after origination (in months)	-	5	-	-	5	-
Retention of beneficial economic interest (MRR) (Rs in Lakhs)	-	12,866	-	-	30,762	-
Coverage of tangible security coverage	-	NA	-	-	NA	-
Rating wise distribution of rated loans	-	NA	-	-	NA	-
Number of instances (transactions) where transferred as agreed to replace the transferred loans	-	NA	-	-	NA	-
Number of transferred loans replaced	-	NA	-	-	NA	-

(ii) The Company has not transferred any non performing assets (NPAs) during the quarter and year ended March 31, 2024.

(iii) Details of loans acquired through Direct assignment in respect of loans not in default during the quarter and year ended March 31, 2024.

Details of loan acquired during the year	For the quarter ended March 31, 2024		For the year ended March 31, 2024	
	From other transferors	From ARC	From other transferors	From ARC
Aggregate consideration paid	27,511	-	49,947	-
Weighted average residual tenor of loans acquired	17	-	18	-

(iv) The Company has not acquired any stressed loans during the quarter and year ended March 31, 2024.

17 Subsequent events

On May 7, 2024, a few shareholders divested their investment in the Company which was acquired by Piramal Alternatives Trust, India SME Investments Fund - I and Mr. Anand Surana. On May 9, 2024, the revised shareholding was approved in the Extra Ordinary General Meeting ('EGM') of the Company.

On May 7, 2024, Piramal Alternatives Trust has further invested Rs.30,000 lakhs in the form of optionally convertible debentures.

W.e.f. May 9, 2024, Mr. Noval Totla has been appointed as nominee director (representing Piramal Alternatives Trust) of the Company and Mr. R. V. Dillip Kumar has resigned from the board of directors.

For Annapurna Finance Private Limited

Date : May 21, 2024
Place: Bhubaneswar

Dibyajyoti Pattanaik
Dibyajyoti Pattanaik
Director
DIN: 02764187



14th Floor, Central B Wing and North C Wing,
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Independent Auditor's Report

To the Board of Directors of Annapurna Finance Private Limited

Report on the audit of the Consolidated Annual Financial Results

Opinion

We have audited the accompanying consolidated annual financial results of Annapurna Finance Private Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as the "Group"), for the year ended 31 March 2024, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated annual financial results:

- a. include the annual financial results of the following entities
 1. Annapurna SME Finance Private Limited; and
 2. Annapurna Employee Welfare Trust
- b. are presented in accordance with the requirements of Regulation 52 of the Listing Regulations in this regard; and
- c. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, the circulars, guidelines and directions issued by Reserve Bank of India from time to time ("RBI Guidelines") to the extent applicable and other accounting principles generally accepted in India, of consolidated net profit and other comprehensive income and other financial information of the Group for the year ended 31 March 2024.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 (the "Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us, along with the consideration of reports of the other auditors referred to in sub paragraph no. a of the "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated annual financial results.



Management's and Board of Directors' Responsibilities for the Consolidated Annual Financial Results

These consolidated annual financial results have been prepared on the basis of the consolidated annual financial statements.

The Holding Company's Management and the Board of Directors are responsible for the preparation and presentation of these consolidated annual financial results that give a true and fair view of the consolidated net profit/ loss and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and RBI Guidelines to the extent applicable and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations. The respective Management and the Board of Directors of the companies / Trustees of the Trust included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each company / Trust 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated annual financial results by Management and the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated annual financial results, respective Management and the Board of Directors of the companies / Trustee of the Trust included in the Group are responsible for assessing the ability of each company / Trust to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors / Trustees of the Trust either intends to liquidate the company / Trust or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies / Trustees of the Trust included in the Group is responsible for overseeing the financial reporting process of each company / Trust.

Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

Independent Auditor's Report (Continued)
Annapurna Finance Private Limited

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated annual financial results made by Management and the Board of Directors.
- Conclude on the appropriateness of Management and the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated annual financial results, including the disclosures, and whether the consolidated annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of the entities within the Group to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of financial statements of such entity included in the consolidated annual financial results of which we are the independent auditor. For the other entities included in the consolidated annual financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in sub paragraph no. a of the "Other Matter" paragraph in this audit report.

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

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

Other Matter

- a. The consolidated annual financial results include the audited financial results of two subsidiaries, whose financial results reflect total assets (before consolidation adjustments) of Rs. 735.93 lakh as at 31 March 2024, total revenues (before consolidation adjustments) of Rs. 29.53 lakh, total net profit after tax (before consolidation adjustments) of Rs. 20.02 lakh and net cash inflows (before consolidation adjustments) of Rs. 21.82 lakh for the year ended on that date, as considered in the consolidated annual financial results, which have been audited by their respective independent auditors. The independent auditor's reports on the financial statements of these entities have been furnished to us by management.

Our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the reports of such auditor and the procedures performed by us are as stated in paragraph above.

Our opinion on the consolidated annual financial results is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditor.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022



Sameer Mota

Partner

Bhubaneswar

21 May 2024

Membership No.: 109928

UDIN: 24109928BKDBED4013

ANNAPURNA FINANCE PRIVATE LIMITED Registered Office:- Plot No. 1215/1401, Khandagiri Bari, Infront of Jaydev Vatika, Bhubaneswar - 751030 CIN: U65999OR1986PTC015931			
Statement of consolidated financial results for the year ended March 31, 2024 (INR in Lakhs except for earnings per share data)			
Sr. No	Particulars	Year ended	
		March 31, 2024	March 31, 2023
		(Audited)	(Audited)
1	INCOME		
	(a) Revenue from operations		
	Interest income	1,64,808	1,20,923
	Fees and commission income	4	24
	Net gain on fair value changes	1,503	1,111
	Net gain on derecognition of financial instruments measured at fair value through other comprehensive income	39,673	33,747
	Total revenue from operations	2,05,988	1,55,805
	(b) Other income	1,467	1,179
	Total income	2,07,455	1,56,984
2	EXPENSES		
	(a) Finance costs	80,220	66,531
	(b) Impairment on financial instruments	32,796	36,184
	(c) Employee benefits expenses	49,611	39,062
	(d) Depreciation, amortisation and impairment	1,623	1,244
	(e) Other expenses	12,074	9,519
	Total expenses	1,76,324	1,52,540
3	Profit before exceptional items and tax (1-2)	31,131	4,444
4	Exceptional items	-	-
5	Profit before tax (3-4)	31,131	4,444
6	Tax expense		
	Current tax	175	7
	Deferred tax	7,692	1,146
	Total tax expense	7,867	1,153
7	Profit for the year from continuing operations (5-6)	23,264	3,291
8	Profit / (loss) from discontinued operations	-	-
9	Tax expense of discontinued operations	-	-
10	Profit / (loss) from discontinued operations (after tax) (8-9)	-	-
11	Profit for the year (7+10)	23,264	3,291
12	Other Comprehensive Income (OCI)		
	(a) (i) Items that will not be reclassified to profit or loss		
	- Re-measurement of the defined benefit liabilities	110	60
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(28)	(15)
	Subtotal (a)	82	45
	(b) (i) Items that will be reclassified to profit or loss		
	- Fair value of loans and advances	(5,444)	2,768
	- Cashflow hedges	(601)	496
	- Fair value of investment	(4)	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	1,523	(821)
	Subtotal (b)	(4,526)	2,443
	Other comprehensive income (a+b)	(4,444)	2,488
13	Total comprehensive income for the year (11+12)	18,820	5,779
14	Earnings per share (face value of Rs 10/- each) (not annualised for interim periods)		
	Basic (Rs)	24.68	3.96
	Diluted (Rs)	20.67	3.36



ANNAPURNA FINANCE PRIVATE LIMITED

Registered Office:- Plot No. 1215/1401, Khandagiri Bari, Infront of Jaydev Vatika, Bhubaneswar - 751030

CIN: U65999OR1986PTC015931

Note 1

Consolidated balance sheet

		(INR in Lakhs)	
Sr. No.	Particulars	As at March 31, 2024	As at March 31, 2023
		(Audited)	(Audited)
	ASSETS		
(1)	Financial assets		
(a)	Cash and cash equivalents	25,962	75,710
(b)	Bank balance other than (a) above	48,744	84,540
(c)	Derivative financial instruments	1,620	2,187
P (d)	Receivables		
(i)	Trade receivables	2	-
(ii)	Other receivables	-	-
(e)	Loans	7,44,952	6,32,625
(f)	Investments	19,498	9,549
(g)	Other financial assets	50,253	39,705
	Subtotal - financial assets (A)	8,91,031	8,44,316
(2)	Non-financial assets		
(a)	Current tax assets (net)	4,701	4,003
(b)	Deferred tax assets (net)	-	2,822
(c)	Property, plant and equipment	2,853	2,386
(d)	Other intangible assets	492	422
(e)	Other non-financial assets	2,414	3,769
	Subtotal - Non- financial assets (B)	10,460	13,402
	Total assets (A+B)	9,01,491	8,57,718
	LIABILITIES AND EQUITY		
	Liabilities		
(1)	Financial liabilities		
(a)	Derivative financial instruments	202	-
(b)	Payables		
(I)	Trade Payables	-	-
(i)	Total outstanding dues of micro enterprises and small enterprises	-	-
(ii)	Total outstanding dues of creditors other than micro enterprises and small enterprises	1,601	1,836
(II)	Other Payables		
(i)	Total outstanding dues of micro enterprises and small enterprises	-	-
(ii)	Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
(c)	Debt securities	87,787	1,53,008
(d)	Borrowings (other than debt securities)	5,60,417	5,19,132
(e)	Subordinated liabilities	46,264	32,714
(f)	Other financial liabilities	34,387	28,217
	Subtotal - financial liabilities (A)	7,30,658	7,34,907
(2)	Non-financial liabilities		
(a)	Provisions	1,112	1,323
(b)	Deferred tax liabilities (net)	3,370	
(c)	Other non-financial liabilities	507	724
	Subtotal - Non- financial liabilities (B)	4,989	2,047
	Total liabilities (A+B)	7,35,647	7,36,954
(3)	Equity		
(a)	Equity share capital	10,144	8,806
(b)	Instruments entirely equity in nature	300	300
(c)	Other equity	1,55,400	1,11,658
	Subtotal - Equity (C)	1,65,844	1,20,764
	Total liabilities and equity (A+B+C)	9,01,491	8,57,718

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ANNAPURNA FINANCE PRIVATE LIMITED

Registered Office:- Plot No. 1215/1401, Khandagiri Bari, Infront of Jaydev Vatika, Bhubaneswar - 751030

CIN: U65999OR1986PTC015931

Note 2

Statement of consolidated cash flows for the year ended March 31, 2024

(INR in Lakhs)

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
	(Audited)	(Audited)
Cash flows from operating activities		
Profit before tax	31,131	4,444
Adjustments for:		
Depreciation, amortisation and impairment	1,623	1,244
Impairment on financial instruments	32,796	36,183
Profit on sale of property, plant and equipment	(3)	-
Profit on sale of current investments	(1,503)	(1,111)
Net gain on derecognition of financial instruments measured at FVOCI	(39,673)	(33,747)
Share based payments to employees	32	10
Interest income	(1,58,521)	(1,14,409)
Finance cost	80,153	66,474
Operating loss before working capital changes	(53,965)	(40,912)
Movements in working capital:		
Decrease in other financial and non financial assets	30,524	10,650
Decrease in bank balance other than cash and cash equivalents	35,838	10,855
(Decrease) / increase in trade receivables	(2)	5
Increase in loans	(1,52,908)	(1,81,975)
Increase in other financial and non financial liabilities	6,289	17,269
(Decrease)/increase in provisions	(211)	137
(Decrease)/increase trade payables	(235)	438
Cash used in operations	(1,34,670)	(1,83,533)
Interest income received	1,56,410	1,15,793
Finance cost paid	(81,928)	(67,301)
Income tax paid (net of refunds)	(706)	(1,759)
Net cash flows used in operating activities (A)	(60,894)	(1,36,800)
Cash flows from Investing activities		
Purchase of property, plant and equipment	(1,543)	(1,282)
Proceeds from sale of property, plant and equipment	41	-
Purchase of Intangible assets	(409)	(424)
Purchase of current investments	(3,92,698)	(3,80,300)
Proceeds on sale of current investments	3,83,822	3,81,929
Investment in fixed deposits with maturity of more than 3 months	(530)	(502)
Net cash flows used in investing activities (B)	(11,317)	(579)
Cash flow from financing activities		
Proceeds from issuance of equity share capital (including securities premium)	115	11,648
Proceeds from debt securities	14,108	33,563
Repayment of debt securities	(52,815)	(42,567)
Repayment of interest portion of lease liabilities	(67)	(56)
Repayment of principal portion of lease liabilities	(188)	(138)
Proceeds from borrowings (other than debt securities)	4,29,087	4,09,781
Repayment of borrowings (other than debt securities)	(3,82,377)	(2,93,707)
Proceeds of subordinated liabilities	22,000	2,000
Repayment of subordinated liabilities	(7,400)	(2,500)
Share issue expenses	-	(86)
Net cash flows generated from financing activities (C)	22,463	1,17,938
Net decrease in cash and cash equivalents (A+B+C)	(49,748)	(19,441)
Cash and cash equivalents at the beginning of the year	75,710	95,151
Cash and cash equivalents at the end of the year	25,962	75,710
Components of cash and cash equivalents at the end of the year		
Balances with banks:		
In current accounts	24,260	48,386
Deposit with original maturity of less than three months	1,120	27,102
Cash on hand	582	222
Total cash and cash equivalents at the end of the year	25,962	75,710

Note:

The above statement of cash flows has been prepared under the indirect method as set out in Ind-AS 7 - Statement of Cash Flows.



Note:

3 The consolidated financial results of Annapurna Finance Private Limited (the 'Holding Company') and its subsidiaries (collectively referred to as, the 'Group') have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards ('IND AS') as prescribed under section 133 of the Companies Act, 2013 (the 'Act') read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time (the 'SEBI Listing Regulations'). Any application guidance /clarification /directions issued by Reserve Bank of India ('RBI') or other regulators are implemented as and when they are issued / applicable.

These consolidated financial results include results of the following subsidiaries:

Name of the subsidiaries	% of share holding and voting power of the Holding Company
Annapurna SME Finance Private Limited	99.96%
Annapurna Employee Welfare Trust	100%

4 The above consolidated financial results for the year ended March 31, 2024 have been reviewed by the Audit Committee and have been approved and taken on record by the board of directors at its meeting held on May 21, 2024. The statutory auditors of the Holding Company have audited the aforesaid results.

5 Pursuant to receipt of letter dated January 03, 2024 from RBI, on January 04, 2024, the Holding Company has converted 2,20,18,814 Series A1 Compulsory Convertible Preference Shares ('CCPS') by allotting 1,33,74,335 equity shares.

6 Pursuant to the exercise of options under the employee stock option schemes, the Holding Company has allotted 31,800 equity shares during the year ended March 31, 2024.

7 The Group prepares the consolidated financial results on an annual basis.

8 The Group is primarily engaged in the business of financing and there are no separate reportable operating segments identified as per the Ind AS 108 - Segment Reporting.

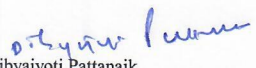
9 Subsequent events

On May 7, 2024, a few shareholders divested their investment in the Holding Company which was acquired by Piramal Alternatives Trust, India SME Investments Fund - I and Mr. Anand Surana. On May 9, 2024, the revised shareholding was approved in the Extra Ordinary General Meeting ('EGM') of the Holding Company.

On May 7, 2024, Piramal Alternatives Trust has further invested Rs.30,000 lakhs in the form of optionally convertible debentures in the Holding Company.

For Annapurna Finance Private Limited

Date : May 21, 2024
Place: Bhubaneswar


Dibyajyoti Pattanaik
Director
DIN: 02764187



BSR & Co. LLP

Chartered Accountants

14th Floor, Central B Wing and North C Wing,
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Fax: +91 22 6257 1010

Private and confidential

The Board of Directors
Annapurna Finance Private Limited
Plot No. 1215/1401, Khandagiri Bari
Infront of Jayadev Vatika
BHUBANESWAR -751030

21 May 2024

Dear Sirs,

Auditor's report on Statement of Information in respect of security cover maintained, value of receivables / book debts and compliance of covenants for listed non-convertible debentures as at 31 March 2024

1. This report is issued in accordance with the terms of our engagement letter dated 24 September 2021 and addendum to the engagement letter dated 19 July 2022.
2. Management has requested us to certify the particulars contained in the accompanying Statement of Information for listed Non-Convertible Debentures ('NCDs') consisting of part A and part B attached herewith (the 'Statement') for Annapurna Finance Private Limited (the 'Company') as at 31 March 2024. The Statement has been prepared by the Company to comply with Regulation 54 read with Regulation 56(1)(d) of the Securities and Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements) Regulations 2015 (last amended on 9 October 2023), and SEBI Circular No. SEBI/ HO/ MIRSD/ MIRSD_CRADT/ CIR/P/2022/67 dated 19 May 2022 (together referred to as the 'Regulations') for the purpose of its onward submission to Catalyst Trusteeship Limited (the 'Company's Debenture Trustee').
3. The accompanying Statement has been certified by management of the Company, which we have signed for identification purpose only.

Management's responsibility

4. The preparation and presentation of the Statement is the responsibility of the Company's management including the preparation and maintenance of all accounting and other records supporting its contents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
5. The Company's management is also responsible for ensuring that the Company complies with the requirements of the Regulations and the Debenture Trust Deeds ('DTDs') entered with the Company's Debenture Trustee for all listed NCDs outstanding as at 31 March 2024 and for providing all relevant information to the Company's Debenture Trustee. Further, the Company's management is responsible for completeness and accuracy of the covenants listed in the Statement under the 'Covenants' section of respective DTDs.

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Auditor's responsibility

6. We have not performed an audit, the objective of which would be expression of an opinion on the financial statements, specified elements, accounts or items thereof, for the purpose of this report. Accordingly, we do not express such an opinion.
7. Pursuant to the requirements of the Regulations, it is our responsibility to provide a limited assurance whether:
 - a. the security cover maintained by the Company against the outstanding listed NCDs as at 31 March 2024 (Part A) are in line with respective DTDs; and
 - b. the Company has complied with the covenants as set out in the Statement (Part B).
8. For the purpose of this report, we have planned and performed the following procedures:

Part A: Security cover

- a) Verified the computation of security cover as at 31 March 2024, prepared by management, as specified in the format given in SEBI Circular No. SEBI/HO/MIRSD/MIRSD_CRADT/CIR/P/2022/67 dated 19 May 2022
- b) Traced the amounts forming part of the Statement with the audited books of account and other records maintained by the Company as at 31 March 2024;
- c) On a sample basis, verified the details of the outstanding amount, security cover required, and assets required to be maintained as collateral for each series of the listed NCDs from unaudited books of account and respective DTDs maintained by the Company as at 31 March 2024;
- d) Recomputed the security coverage ratio as set out in the Statement; and
- e) Verified the arithmetical accuracy of the Statement.

Part B: Compliance with covenants of listed debt securities as at 31 March 2024

- a) Obtained from management, a list of covenants (as set out in the Statement) extracted from the 'Covenants' section of respective DTDs. Management has confirmed that the covenants listed in the Statement are extracted from DTDs of all the listed NCDs outstanding as at 31 March 2024;
 - b) Against each of the covenants (as set out in the Statement), obtained the status of compliance with such covenants as at 31 March 2024;
 - c) On a sample basis, compared the financial covenants computed by management as at 31 March 2024 with the requirements of DTDs to verify whether such covenants are in compliance with those requirements
 - d) With respect to covenants other than those mentioned in the Statement, management has represented and confirmed that as at 31 March 2024, the Company has complied with all the other covenants including affirmative, informative and negative covenants, as prescribed in DTDs. We have relied on management representation and not performed any independent procedures in this regard; and
 - e) Verified the quarterly compliance certificate submitted to the Company's Debenture Trustee.
9. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

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Auditor's responsibility (continued)

10. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
11. We have complied with the relevant applicable requirements of the Standard on Quality Control ('SQC') 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Basis of Qualified Conclusion

12. The Company has breached certain covenants in respect of Gross NPA (%), Net NPA (%), Portfolio Quality Ratios, etc. as at 31 March 2024, as indicated in Part B of the Statement.

Qualified Conclusion

13. Based on our procedures performed as mentioned in paragraph 8 above, information and explanations given to us and representations provided by the Company and except for the possible effects of the matters described in the aforesaid "Basis of Qualified Conclusion" section of our report, nothing has come to our attention that causes us to believe that, in all material respects:
 - a. the security cover maintained by the Company against the outstanding listed NCDs as at 31 March 2024 are not in line with respective DTDs (Part A); and
 - b. the Company has not complied with the covenants as set out in the Statement (Part B).

Restriction of use

14. This report has been issued for the sole use of the Board of Directors, to whom it is addressed, for onward submission to the Company's Debenture Trustee pursuant to the requirements of the Regulations. Accordingly, our report should not be quoted or referred to in any other document or made available to any other person or persons without our prior written consent. We neither accept nor assume any duty or liability for any other purpose or to any other party to whom our report is shown or into whose hands it may come without our prior consent in writing.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

 Sameer Mota

Sameer Mota
Partner
Membership No: 109928
UDIN: 24109928BKDBDY6368

Bhubaneswar
21 May 2024



Part A : Security Cover ratio as at March 31, 2024

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relates	Exclusive Charge	Exclusive Charge	Pari-Passu Charge	Pari-Passu Charge	Pari-Passu Charge	Assets not offered as Security	Elimination (amount in negative)	(Total C to H)	Related to only those items covered by this certificate				
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari passu charge)	Other assets on which there is pari-Passu charge (excluding items covered in column F)		debt amount considered more than once (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assets	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value (=K+L+M+N)
		Book Value	Book Value	Yes/No	Book Value	Book Value						Relating to Column F		
ASSETS														
Property, Plant and Equipment				Yes	14	-	2,290	-	2,304	-	-	16	-	16





Capital Work-in-Progress				No	-	-	-	-	-	-	-	-	-	-
Right of Use Assets				No	-	-	549	-	549	-	-	-	-	-
Goodwill				No	-	-	-	-	-	-	-	-	-	-
Intangible Assets				No	-	-	492	-	492	-	-	-	-	-
Intangible Assets under Development				No	-	-	-	-	-	-	-	-	-	-
Investments				No	-	-	19,998	-	19,998	-	-	-	-	-
Loans	Receivables	19,752	5,49,650	No	-	-	1,75,550	-	7,44,952		19,752			19,752
Inventories				No	-	-	-	-	-	-	-	-	-	-
Trade Receivables				No	-	-	-	-	-	-	-	-	-	-
Cash and Cash Equivalents				No	-	-	25,936	-	25,936	-	-	-	-	-
Bank Balances other than Cash and Cash Equivalents				No	-	-	48,197	-	48,197	-	-	-	-	-

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Others	Other financial assets, other non-financial assets, Derivative financial instruments, current tax assets (net) & deferred tax assets (net)			No	-	-	59,168	-	59,168		-	-	-	-
Total		19,752	5,49,650		14	-	3,32,180	-	9,01,596	-	19,752	16	-	19,768
LIABILITY ES														
Debt securities to which this certificate pertains	Listed NCD	18,496		Yes	1,553	-	-	1,553.00	18,496	-	-	-	-	-
Other debt sharing pari-passu charge with above debt		<i>not to be filled</i>		No	-	-	-	-	-	-	-	-	-	-
Other Debt			5,39,151	No	-	-	21,266	-	5,60,417	-	-	-	-	-
Subordinated debt	Unsecured			No	-	-	46,264	-	46,264	-	-	-	-	-
Borrowings				No	-	-	-	-	-	-	-	-	-	-
Bank				No	-	-	-	-	-	-	-	-	-	-
Debt Securities			34,265	No	710	-	35,026	(709.53)	69,291	-	-	-	-	-
Others				No	-	-	-	-	-	-	-	-	-	-
Trade payables				No	-	-	-	-	-	-	-	-	-	-

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Lease Liabilities			No	-	-	612	-	612	-	-	-	-	-	-
Provisions			No	-	-	1,112	-	1,112	-	-	-	-	-	-
Others			No	-	-	2,05,403	-	2,05,403	-	-	-	-	-	-
Total		18,496	5,73,416			3,09,683		9,01,596						
Cover on Book Value		106.79 %			0.87%									
Cover on Market Value														
		Exclusi ve Securit y Cover Ratio			Pari-Passu Security Cover Ratio									

Notes:

1. The market value of immovable property has been provided as per valuation report dated 19th May 2022.
2. Receivables mentioned in column C represent Standard loans. (Stage 1 and 2)
3. The details of the Receivables and Immovable Property in the table above have been provided based on its carrying value/book value in accordance with the SEBI circular dated May 19, 2022 bearing reference number SEBI/HO/MIRSD/MIRSD_CRADT/CIR/P/2022/67.
4. All listed, secured Non-Convertible Debentures of the Company are fully secured by way of a first ranking, exclusive and continuing charge on identified receivables created pursuant to the deed of hypothecation as identified by the Company. Further, for two debentures additional pari-passu charge has been created by way of mortgage of immovable property.
5. Receivables mentioned in column L are not traded thus market value is not available.

For Annapurna Finance Private Limited

For Annapurna Finance Pvt. Ltd.

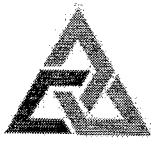
Company Secretary
Subrata Pradhan

Subrata Pradhan
Company Secretary
(M. No-27932)

Annapurna Finance Private Limited | CIN : U65999OR1986PTC015931

Regd. Office : Plot 1215/1401, Khandagiri Bari, Infront of Jaydev Vatika, Bhubaneswar- 751 030, Odisha

Tel. : +91 674- 2386790/2350253 | Fax : +91 674 - 2386580 | Email : info@ampl.net.in | Website : www.annapurnafinance.in |



Part B : Quarterly compliance with respect to listed debt securities outstanding as at March 31, 2024

SI No.	ISIN Number	Facility Description (including Detail Name)	Date of Trust Deed	Covenant Description	Compliance status*
1	INE515Q07228	Karvy (AFPL-12.50%-19-12-25-PVT)	14-12-2018	Covenants as per clauses 11.3 Of the Debenture Trust cum mortgage deed	Complied except below mentioned clause: (i) The Company shall at all times, until the redemption of all outstanding Debentures, maintain a Portfolio Quality 30 Days Ratio of less than or equal to 5% (Five Percent)
2	INE515Q07525	BO-VIII MEF (AFPL-11.2%-12-7-26-PVT)	06-07-2021	Covenants as per clause 2.6 of Article II of Part B of Debenture Trust Deed	Complied except below mentioned clauses: The Company shall: (i) at all times maintain a ratio of (x) the sum of Portfolio At Risk over 30 (thirty) days divided by (y) the Outstanding Gross Loan Portfolio of no greater than 13% until and including 30 September 2021, not greater than 9% starting from 1 October 2021 until and including 30 June 2022, and not greater than 5% thereafter; (ii) at all times maintain a ratio of (x) the sum of Portfolio At Risk over 30 (thirty) days plus Restructured Loans minus Loan Loss Reserves divided by (y) Equity of no greater than 40% until and including 30 June 2021, not greater than 30% starting from 1 July 2021 until and including 30 September 2021, not greater than 20% starting from 1 October 2021 until and including 31 December 2021, and not greater than 10% thereafter;
3	INE515Q07533	Blue orchard VII (AFPL-11.2%-9-7-26-PVT)	05-07-2021	Covenants as per clause 2.6 of Article II of Part B of Debenture Trust Deed	Complied
4	INE515Q07582	Northern Arc MLD (AFPL-BSE SENSEX-31-10-25-PVT)	27-09-2022	Covenant as per Schedule IX of Debenture Trust Deed	Complied except below mentioned clause: (i) Maximum permissible ratio of sum of the Par > 90 and write-offs (on the Company's entire portfolio including receivables sold or discounted on a non-recourse basis) to Gross Loan Portfolio shall be 15.00% (Fifteen Point Zero Zero percent) till December 31, 2022, 10.00% (Ten Point Zero Zero percent) till March 31, 2023, 8.00% (Eight Point Zero Zero percent) till June 30, 2023 and 5.00% (Five Point Zero Zero percent) from July 1, 2023 onwards, write-offs would be calculated for trailing twelve months.
5	INE515Q08093	Karvy Subdebt (AFPL-12.87%-2-5-26-PVT)	02-05-2019	Covenants as per clauses 3.3 Of the Debenture Trust deed	Complied except below mentioned clause: (i) The company shall maintain gross NPA





					less than equal to 3% of Asset Under Management
6	INE515Q08168	RespA V (AFPL-11.50%-24-12-27-PVT)	22-12-2021	Covenant as per clause 2.5.3 of Debenture Trust Deed	Complied
7	INE515Q08176	RespA+Triple Jump (AFPL-11.45%-20-3-25-PVT)	18-03-2019	Covenants as per clauses 11.3 Of the Debenture Trust cum mortgage deed and amendment thereof	Complied
8	INE515Q08192	Northern Arc Unsecured Series II NCD (AFPL-12.20%-26-9-24-PVT)	23-09-2022	Covenant as per Schedule IX of Debenture Trust Deed	Complied except below mentioned clause: (i) Maximum permissible ratio of sum of the Par > 90 and write-offs (on the Company's entire portfolio including receivables sold or discounted on a non-recourse basis) to Gross Loan Portfolio shall be 15.00% (Fifteen Point Zero Zero percent) till December 31, 2022, 10.00% (Ten Point Zero Zero percent) till March 31, 2023, 8.00% (Eight Point Zero Zero percent) till June 30, 2023 and 5.00% (Five Point Zero Zero percent) from July 1, 2023 onwards, write-offs would be calculated for trailing twelve months.
9	INE515Q07590	Blue Orchard IX (AFPL-10.95%-19-10-2PVT)	14-10-2022	Covenants as per clause 2.6 of Article II of Part B of Debenture Trust Deed	Complied
10	INE515Q08218	Karvy SD-II NCD (AFPL-13.10%-29-8-28-PVT)	24-03-2022	Covenants as per clause 9.3 of Article II of Part B of Debenture Trust Deed	Complied
11	INE515Q08226	Phillip NCD (AFPL-12.40%-24-4-29-PVT)	28-07-2023	Covenants as per clause 9.3 of Debenture Trust Deed	Complied
12	INE515Q08226	Phillip NCD - Tranch II (AFPL-12.40%-24-4-29-PVT)	23-08-2023	Covenants as per clause 9.3 of Debenture Trust Deed	Complied
13	INE515Q08242	Phillip NCD II NCD (AFPL-12.25%-7-9-29-PVT)	06-12-2023	Covenants as per clause 9.3 of Debenture Trust Deed	Complied

*The Company had intimated about the non-compliance, however, there were no penal actions from debenture holders & debenture trustee.

For Annapurna Finance Private Limited
For Annapurna Finance Pvt. Ltd.

Subrata Pradhan

Company Secretary
(M. No-27932)

Company Secretary
Subrata Pradhan

B S R & Co. LLP

Chartered Accountants

14th Floor, Central B Wing and North C Wing,
Nesco IT Park 4, Nesco Center,
Western Express Highway, Goregaon (East),
Mumbai - 400 063, India

Telephone: +91 22 6257 1000
Fax: +91 22 6257 1010

Private and confidential

The Board of Directors
Annapurna Finance Private Limited
Plot No. 1215/1401, Khandagiri Bari
Infront of Jayadev Vatika
BHUBANESWAR -751030

21 May 2024

Dear Sirs,

Auditor's report on the statement of utilisation of proceeds from listed redeemable non-convertible debentures for the year ended 31 March 2024

1. This report is issued in accordance with our engagement letter dated 24 September 2021 and addendum to the engagement letter dated 19 July 2022.
2. The accompanying statement of utilization of proceeds from the listed redeemable non-convertible debentures ('Listed NCDs') issued during the year ended 31 March 2024 (the 'Statement') of Annapurna Finance Private Limited (the 'Company') has been prepared by management of the Company to comply with Regulation 56(1)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended and Regulation 15(1A)(c) of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as amended (together referred to as the 'Regulations') for the purpose of its onward submission to Catalyst Trusteeship Limited (the 'Company's Debenture Trustee').
3. The accompanying Statement has been certified by management of the Company and signed by us for identification purpose only.

Management's responsibility

4. The preparation and presentation of the Statement is the responsibility of the Company's management including the creation and maintenance of all accounting and other records supporting its contents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

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Management's responsibility (Continued)

5. The Company's management is also responsible for ensuring that the Company complies with the requirements of the Regulations and utilising the proceeds of Listed NCDs for the purpose as set out in the
- clause 5 of Part B of the Debenture Trust Deed dated 28 July 2023 of Philip SD Tr (I) NCD
 - clause 5 of Part B of the Debenture Trust Deed dated 23 August 2023 of Philip SD Tr (II) NCD
 - clause 5 of Part B of the Debenture Trust Deed dated 6 December 2023 of Phillip SD II Rs 100 Cr

entered into with the Company's Debenture Trustee (the 'Debenture Trust Deeds') for all listed redeemable NCDs issued during the year ended 31 March 2024 (as listed in the Statement).

Auditor's responsibility

6. Pursuant to the requirement of the Regulations, it is our responsibility to provide a limited assurance whether the Company has utilized the proceeds of the Listed NCDs for the purpose as set out in the Debenture Trust Deeds.
7. For the purpose of this report, we have planned and performed the following procedures:
- a. Obtained disbursement details for the period from 28 July 2023 to 15 January 2024 wherein management has tagged source of fund as "Philip SD Tr (I) NCD", "Philip SD Tr (II) NCD" and "Philip SD II Rs 100 Cr" for the eligible loans disbursed;
 - b. Verified that the entire issue proceeds have been utilized for the purpose as mentioned in the accompanying Statement; and
 - c. Made inquiries and obtained management representation letter.
8. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.
9. We conducted our examination in accordance with the Guidance Note on Reports or Certificates issued for Special Purposes (Revised 2016) (the 'Guidance Note') issued by the Institute of Chartered Accountants of India (the 'ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
10. We have complied with the relevant applicable requirements of the Standard on Quality Control ('SQC') 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

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Conclusion

11. Based on the procedures performed mentioned in paragraph 7, and information, explanations and representations given to us, nothing has come to our attention that causes us to believe that the Company has not utilized the proceeds of the Listed NCDs for the purpose as set out in the Debenture Trust Deeds as mentioned in the accompanying Statement.

Restrictions of use

12. This report has been issued for the sole use of the Board of Directors, to whom it is addressed, for onward submission to the Company's Debenture Trustee pursuant to the requirements of the Regulations. Accordingly, our report should not be quoted or referred to in any other document or made available to any other person or persons without our prior written consent. We neither accept nor assume any duty or liability for any other purpose or to any other party to whom our report is shown or into whose hands it may come without our prior consent in writing.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

 Sameer Mota

Sameer Mota
Partner
Membership No: 109928
UDIN: 24109928BKDBDZ6739

Bhubaneswar
21 May 2024



**Statement of utilisation of proceeds from listed redeemable non-convertible debentures for year ended
March 31, 2024**

The funds amounting to INR 220 crores raised during the FY 2023-24 through the issue of privately placed listed redeemable non-convertible debentures, were utilised by the Company for the purpose as mentioned in the respective Debenture Trust Deeds executed in compliance with provision of clause 9.1 of the each of the executed Debenture Trust Deed (DTD).

Sr No	ISIN	Maturity Date	Series Name	Proceed from issue (in INR Crores)	Purpose of issue as per Debenture Trust Deed	Status of compliance
1	INE515Q08226	April 24, 2029	Philip SD Tr (I) NCD	60	(i) the general corporate purposes of the Company; (ii) utilization in the ordinary course of business of the Company (including repayment/re-financing of any existing Financial Indebtedness of the Company); (iii) the purposes of deployment in the business of the Company, and the growth of the asset book of the Company; and/or (iv) augmenting the Company's Tier II capital.	Yes, complied. The entire fund raised has been utilised as per the purpose specified in the Debenture Trust Deed
2	INE515Q08226	April 24, 2029	Philip SD Tr (II) NCD	60	(i) the general corporate purposes of the Company; (ii) utilization in the ordinary course of business of the Company (including repayment/re-financing of any existing Financial Indebtedness of the Company); (iii) the purposes of deployment in the business of the Company, and the growth of the asset book of the Company; and/or (iv) augmenting the Company's Tier II capital.	Yes, complied. The entire fund raised has been utilised as per the purpose specified in the Debenture Trust Deed
3	INE515Q08242	September 07, 2029	Philip SD II Rs 100 Cr	100	(i) the general corporate purposes of the Company; (ii) utilization in the ordinary course of business of the Company (including repayment/re-financing of any existing Financial Indebtedness of the Company); (iii) the purposes of deployment in the business of the Company, and the growth of the asset book of the Company; and/or (iv) augmenting the Company's Tier II capital.	Yes, complied. The entire fund raised has been utilised as per the purpose specified in the Debenture Trust Deed
Total Amount				220		

For Annapurna Finance Private Limited

For Annapurna Finance Pvt. Ltd.

Subrat Pradhan
Company Secretary
Date: May 21, 2024
Place: Bhubaneswar

Subrata Pradhan
Company Secretary
(M. No-27932)

