ANNUAL REPORT

OF

PROTIUM FINANCE LIMITED

FINANCIAL YEAR 2023-2024

PROTIUM FINANCE LIMITED (“the Company”)

(Formerly known as Growth Source Financial Technologies Limited)

[CIN: U65999MH2019PLC323293]

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PROTIUM FINANCE LIMITED ("the Company")
[CIN: U65999MH2019PLC323293]

Board of Directors

Sr. No.	Name of Director	Designation	DIN
1.	Mr. Peeyush Misra	Managing Director & CEO	08422699
2.	Ms. Anuradha Rao	Independent Director	07597195
3.	Ms. Dakshita Das	Independent Director	07662681
4.	Mr. Parveen Kumar Gupta	Independent Director	02895343
5.	Mr. Sitaram Kunte	Independent Director	02670899

Key Managerial Personnel (KMP)

Name of KMP	Designation
Mr. Peeyush Misra	Managing Director & CEO
Mr. Amit Kumar Gupta	Chief Financial Officer
Mrs. Anshu Mohta	Company Secretary

Registered Office

7th Floor, Block B2, Phase – I, Nirlon Knowledge Park (NKP)
Pahadi Village, off. Western Express Highway,
Goregaon (E), Mumbai – 400063.
Website: https://protium.co.in/

Statutory Auditors

M/s. Khandelwal Jain & Co., Chartered Accountants

6-B&C, Pil Court, 6th Floor, 111 M. Karve Road,
Churchgate, Mumbai – 400020.
Website: www. Kjco.net

Debenture Trustee

Axis Trustee Services Limited
Axis House, Bombay Dyeing Mills Compound,
Pandurang Budhkar Marg, Worli, Mumbai - 400 025
Website: www.axistrustee.in

Registrar & Transfer Agents

Link Intime India Private Limited

C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai – 400083
Tel :022 49186000, Email: bonds.helpdesk@linkintime.co.in
Website: https://linkintime.co.in/

BOARD'S REPORT

Dear Members,

The Directors of your Company have pleasure in presenting the Sixth Annual Report together with the audited financial statements for the financial year ended March 31, 2024.

Your Company is registered as Non-Banking Financial Company without accepting or holding public deposits, as defined under Section 45-IA of the Reserve Bank of India Act, 1934 as applicable. Under the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 (herein after known as Master Direction on RBI Scale Based Regulation) the Company is categorized as middle layer (NBFC-ML).

1. Financial Results

A summary of the financial performance of the Company, both on a consolidated and standalone basis in comparison to the previous FY is given below:

(Rs. in Lakhs.)

Particulars	Consolidated		Standalone	
	For the year ended March 31, 2024	**For the year ended March 31, 2023**	**For the year ended March 31, 2024**	**For the year ended March 31, 2023**
Revenue from Operations	72,762.57	43,649.02	69,233.93	41,647.78
Other Income	2,988.97	330.83	3,661.83	330.83
Total Income	**75,751.54**	**43,979.85**	**72,895.76**	**41,978.61**
Less: Total expenses	**59,900.93**	**35,267.13**	**57,199.15**	**33,404.85**
Profit before Tax	**15,850.61**	**8,712.72**	**15,696.61**	**8,573.76**
Less: Tax Expenses	4,175.48	2,296.84	4,169.48	2,260.62
Profit after Tax	**11,675.13**	**6,415.88**	**11,527.13**	**6,313.14**
Add: Other Comprehensive Income	(53.29)	(25.13)	(62.50)	(28.76)
Total Comprehensive Income	11,621.84	6,390.75	11,464.63	6,284.38
Earnings Per Share (EPS)				
Basic	10.66	10.87	10.52	10.69
Diluted	10.66	10.87	10.52	10.69
Less: Transfer to Reserves as per Section 45-IC of the RBI Acts	2,305.43	1,262.63	2,305.43	1,262.63
Balance carried to Balance Sheet	9,316.41	5,128.12	9,159.21	5,021.75

The above figures are extracted from the financial statements prepared in accordance with Indian Accounting Standards ("Ind AS") as notified under Sections 129 and 133 of the Companies Act, 2013 ("the Act") read with the Companies (Accounts) Rules, 2014 and other relevant provisions of the Act. The detailed Financial Statements as stated above are available on the Company's website https://protium.co.in/.

Financial Performance

Consolidated

The total income and profit before tax has increased by 72 % and 82% respectively for the FY24 as compared to FY23.

- Total income was INR 75,751.54 lakhs in FY24 as compared to INR 43,979.85 lakhs in FY23.
- Net profit was INR 11,675.13 lakhs in FY24 as compared to INR 6,415.88 lakhs in FY23.

Standalone

The total income and profit before tax has increased by 74% and 83% respectively for the FY24 as compared to FY23.

- Total income was INR 72,895.76 lakhs in FY24 as compared to INR 41,978.61 lakhs in FY23.
- Net profit was INR 11,527.13 lakhs in FY24 as compared to INR 6,313.14 lakhs in FY23.

2. Dividend

Your Directors do not recommend any dividend on the equity shares for FY24 to conserve capital for the future business expansion.

3. Transfer to Reserves

Your Company has transferred an amount of INR 2,305.43 lakhs to the Statutory Reserve maintained under Section 45 IC of the Reserve Bank of India Act, 1934.

4. State of Company's Affairs

Your Company's loan disbursements during the year were INR 4,58,725 lakhs as against INR 3,15,552 lakhs in the previous year. The gross loans and advances of the Company as at March 31, 2024 stood at INR 3,28,889.20 lakhs as against INR 2,40,650.21 lakhs in the previous year. The Company has continued to focus on diversifying its products and expanding its distribution while augmenting its digital infrastructure and offerings to effectively deliver credit solutions to its market.

Products and Services

Your Company offers a comprehensive bouquet of products and services to the underserved, which is tailor-made to suit the customers' requirements. Your Company is engaged in providing financial services to the business of Micro, Small & Medium Enterprises Loans (MSME) and offers following products:

Secured MSME - It is the small business lending book secured majorly by residential and commercial property.

Unsecured MSME - This is unsecured lending to MSMEs for their working capital and growth needs.

5. Change in nature of business, if any

Your Company carried out the business as mentioned in the Memorandum of Association of the Company during the year under review and there was no change in the nature of business of the Company.

6. Human Resources

Your Company believes that people are its biggest assets. Your Company's workforce has the right blend of youth and experience, and the success of our organization is based on the capability, passion & integrity of its people. As on March 31, 2024, your Company had 1774 employees with female percentage of 10% and the average age of the employees is 33 years.

7. Details of Subsidiary/Joint Ventures/Associate Companies

During the year under review, your Company has no associate companies within the meaning of Section 2(6) of the Companies Act, 2013 (**"the Act"**) and has not entered into any joint venture. However, your Company has following two Wholly Owned Subsidiaries ("WOS"):

Name of the WOS	CIN
Protium Business Services Private Limited	U72900MH2021PTC356128
Shibui Technologies Private Limited	U62099KA2023PTC171573

Protium Business Services Private Limited has obtained registration as Corporate Agent (Composite) with the Insurance Regulatory and Development Authority of India (IRDAI) effective January 25, 2024. The said registration is valid till January 24, 2027. Apart from the said, there has been no material change in the nature of business of subsidiary companies during the financial year 2023-24.

The statement containing the salient features of the financial statement of your Company's Subsidiaries in Form AOC 1, as required under Rule 5 of the Companies (Accounts) Rules, 2014 is annexed as **Annexure I.**

Your Company's subsidiaries have been contributing to the overall growth of your Company during the year. Pursuant to Section 129(3) of the Act, your Company has prepared Consolidated financial statements which shall be laid before the ensuing Annual General Meeting of the Company. The audited Consolidated financial statements together with Auditors' Report form part of the Annual Report. As required under Section 136 of the Act, the audited financial statements, including the consolidated financial statements of your Company are available on the website. The Annual Report and audited financial statements of each of its subsidiaries are also available on the website of the Company at https://protium.co.in/investors-relations/. The said documents will also be available for inspection at the Registered Office of the Company during business hours.

8. Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report

There were no material changes and commitments affecting the financial position of the Company from the end of the financial year up to the date of this report.

9. Borrowings

During the year under review, your Company met its funding requirements through borrowings by issuance of Non-Convertible Debentures, Commercial Papers, External Commercial borrowings, securitisation and borrowings from Banks and Financial Institutions. Your Company had total borrowings of INR 2,68,162.82 (in lakhs) as on March 31, 2024.

10. Credit Rating

Your Company has been assigned with the following ratings on the facilities availed by the Company:

Instruments	Nature of Term	Name of Rating Agency	Rating granted
Bank Loan Ratings	Long term	Acuite Ratings & Research Limited	Upgraded to ACUITE AA-/ Stable from ACUITE A+/ Positive
Non – Convertible Debentures (MLD)	Long Term	Acuite Ratings & Research Limited	Upgraded to ACUITE PP-MLD AA-/ Stable from ACUITE PP-MLD A+/ Positive
Non – Convertible Debentures	Long Term	Acuite Ratings & Research Limited	Upgraded to ACUITE AA-/ Stable from ACUITE A+/ Positive
Commercial Paper	Short Term	Acuite Ratings & Research Limited	ACUITE A1+

11. Capital Adequacy

Your Company's Capital Adequacy Ratio as on March 31, 2024, stood at 57.86% of the aggregate risk-weighted assets on the balance sheet and risk-adjusted value of the off-balance sheet items, which is well above the regulatory minimum of 15%. Out of the above, the Tier I capital adequacy ratio stood at 57.86% and the Tier II capital adequacy ratio stood at 0.00%.

12. Public Deposits

Your Company is a Non-Deposit taking NBFC and has not accepted any public deposits during the year under review.

13. Capital Structure

a. Authorized Share Capital

During the period under review, the authorized share capital of the Company was reclassified from Rs. 156,00,93,000/- (Rupees One Hundred and Fifty-Six Crores and Ninety-Three Thousand Only) divided into 9,50,09,300 (Nine Crore Fifty Lakhs Nine Thousand Three Hundred) Equity Shares of Rs. 10/- (Rupees Ten) each and 6,10,00,000 (Six Crores Ten Lakhs) Compulsory Convertible Preference Shares of Rs. 10/- each **to** Rs. 156,00,93,000/- (Rupees One Hundred and Fifty-Six Crores and Ninety-Three Thousand Only) divided into 15,60,09,300 (Fifteen Crore Sixty Lakhs Nine Thousand Three Hundred) Equity Shares of Rs. 10/- (Rupees Ten Only) and consequent alteration on Capital clause of the Memorandum of Association was approved at Extraordinary General Meeting held on September 30, 2023.

As on March 31, 2024, the Authorized Share Capital of the Company is Rs. 1,56,00,93,000/- divided into 15,60,09,300 Equity Shares of Rs. 10/- each.

b. Issued, Subscribed and Paid-up Share Capital

During the year under review, your Company has issued Equity Shares as per details given below:

No. of fully Paid-up Equity Shares issued and subscribed	Date of allotment	Nature of Issue
5,04,64,530	December 15, 2023	Right Issue

As on March 31, 2024, the Issued, Subscribed and Paid-up Share Capital of your Company stands at Rs. 145,14,23,300/- comprising of 14,51,42,330 Equity Shares of Rs.10/- each. The said equity shares of the Company are held in dematerialized mode.

c. Protium Finance Employee Stock Option Plan I

In order to develop and implement a long - term incentive program to effectively attract, motivate and retain the best talent from the industry in a competitive environment, the Company has implemented the Protium Finance Employee Stock Option Plan I Scheme. A statement providing the information as required under Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, w.r.t. Employee Stock Option Scheme is furnished in **Annexure II.**

14. Listing of Non-Convertible Debentures and Commercial Papers

During the period under review, your Company has raised INR 4,950 lakhs through issuance of 4,950 Listed Rated Senior Secured Transferable Redeemable Non-Convertible Debentures on private placements basis which were listed on BSE Limited on April 19, 2023.

During the period under review your Company has raised INR 75 crores through issuance of Commercial Papers (CPs) which were listed on BSE Limited on November 20, 2023. Said CPs were redeemed on March 22, 2024.

15. Debenture Trustees

The details of the debenture trustees for the debenture holders of the Company are provided hereunder:

Axis Trustee Services Limited
Address: Axis House, Bombay Dyeing Mills Compound,
Pandurang Budhkar Marg, Worli, Mumbai – 400 025 ,Tel: +91 22 6226 0054,
Email: debenturetrustee@axistrustee.in , Website: www.axistrustee.in

16. Registrar and Share Transfer Agent

The details of registrar and share transfer agent of the Company are provided hereunder:

Link Intime India Private Limited

C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai – 400083
Tel :022 49186000, Email: bonds.helpdesk@linkintime.co.in
Website: https://linkintime.co.in/

17. Shifting of Registered Office of the Company

The registered office of the Company was shifted within the local limits of the city i.e. from Nirlon Knowledge Park (NKP) B6, 2nd Floor, Pahadi Village, Off. Western Express Highway, Goregaon (E) Mumbai Maharashtra 400063 **to** 7th Floor, Block B2, Phase – I Nirlon Knowledge Park, Pahadi Village, Off. Western Express Highway, Cama Industrial Estate, Goregaon(E), Mumbai, Maharashtra 400063 with effect from May 15, 2023.

18. Board and Committee Composition

a. Board Composition

As on March 31, 2024, the Board of Directors of the Company comprises of following Directors:

Sr. No.	Name of Director	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	DIN
1	Mr. Peeyush Misra	Managing Director & CEO (Executive Director)	08422699
2	Ms. Anuradha Rao	Independent Director	07597195
3	Ms. Dakshita Das	Independent Director	07662681
4	Mr. Parveen Kumar Gupta	Independent Director	02895343
5	Mr. Sitaram Kunte	Independent Director	02670899

b. Changes in Directors and Key Managerial Personnel

During the period under review, the following changes took place in the Directors and Key Managerial Personnel of the Company:

Appointment of Independent Directors

The Board of Directors based on the recommendation of the Nomination and Remuneration Committee and in terms of the Article of Association of the Company and Section 161(1) of the Companies Act, 2013 ("the Act") in its meeting held on February 16, 2024, appointed Ms. Dakshita Das (DIN: 07662681) and Mr. Sitaram Kunte (DIN: 02670899) as an Additional Director of the Company, in the category of Non-executive Independent Director, not liable to retirement by rotation, for a term of five (5) consecutive years commencing from February 16, 2024 to February 15, 2029, subject to approval of Members of the Company at the ensuing AGM.

Sr. No.	Name of Director/ KMP	Designation	Appointment/ Resignation/ Change	Date of event
1	Mr. Peeyush Misra	Managing Director & CEO	Redesignated as Managing Director & CEO from Whole Time Director	May 9, 2023
2	Ms. Anuradha Rao	Independent Director	Appointment	August 29, 2023
3	Mr. Peruvemba Ramachandran Seshadri	Independent Director	Resignation	September 13, 2023
4	Ms. Dakshita Das	Independent Director	Appointment	February 16, 2024
5	Mr. Sitaram Kunte	Independent Director	Appointment	February 16, 2024

As on March 31, 2024, pursuant to the provisions of Section 203 of the Companies Act, 2013, the Key Managerial Personnel (KMP) of your Company comprises of the following:

Sr. No.	Name of KMP	Designation
1	Mr. Peeyush Misra	Managing Director & CEO
2	Mr. Amit Kumar Gupta	Chief Financial Officer

3	Mrs. Anshu Mohta	Company Secretary

c. Board Committees

The Board Committees and other Committees play an important role in the governance, focus on specific areas and make informed decisions within the scope defined in their respective terms of reference.

The Board has constituted following committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Risk Management Committee
4. IT strategy Committee
5. Asset & Liability Committee and Interest Rate Committee
6. Corporate Social Responsibility Committee
7. Stakeholders Relationship Management Committee

The details of the Committee composition along with the details of the Meetings held during the Financial Year 2023-24 are disclosed in the Corporate Governance Report forming part of this report as **Annexure III**.

In compliance with Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices ("MD – IT & GRC") dated November 7, 2023, issued by the RBI, the IT Strategy Committee and the Board of Directors has approved constitution of two (2) management level committees i.e., Information Security Committee and IT Steering Committee with such members and functions as specified in MD – IT & GRC.

d. Director liable to retire by rotation

In terms of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Peeyush Misra, retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment. Your Directors' and the Nomination and Remuneration Committee has evaluated the eligibility criteria under RBI guidelines and the Act and recommend his reappointment in the ensuing Annual General Meeting.

e. Declaration by Directors

Based on the declarations and confirmations received in terms of the Act, circular(s)/ notification(s)/direction(s) issued by RBI/SEBI and such other applicable laws, none of the Directors of the Board of your Company are disqualified from being appointed as Directors.

All the Directors of the Company have confirmed that they satisfy the 'Fit and Proper' Criteria as prescribed under Chapter XI of Master Direction – Reserve Bank of India (Non-Banking Financial Company –Scale Based Regulation) Directions, 2023, as amended, and that they are not disqualified from being appointed/continuing as Directors in terms of Section 164(2) of the Act.

Pursuant to Section 149(7) of the Act, your Company has received declarations from all the Independent Directors of the Company affirming compliance with criteria of independence as specified under Section 149(6) of the Act.

The Board is satisfied with the integrity, expertise, and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) of all Independent Directors on the Board. The Independent Directors have also confirmed compliance with rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended, relating to inclusion of their names in the databank of independent directors.

f. Meetings of the Board of Members of the Company

Eight (8) Board Meetings were held during the Financial Year 2023-24. The details of the number of meetings of the Board of Directors of the Company are disclosed in the Corporate Governance Report which is forming part of this report as **Annexure III.** The intervening gap between the meetings was within the period prescribed under the Act.

g. Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013, your Board carried out a formal annual evaluation of its own performance and that of its committees and individual Directors. A structured questionnaire was prepared after taking into consideration various aspects of the Board's functioning, composition of the Board and its Committees, execution and performance of specific duties, obligations and governance. The evaluation sheet was circulated to all the Board members seeking feedback from the directors with regards to the performance of the Board, its Committee, and individual directors. The directors sent their feedback on the evaluation sheet to the Company Secretary. The feedback received from the directors was discussed and reviewed by the Nomination and Remuneration Committee and the Board at their respective meetings.

Your Directors express their satisfaction with the evaluation process. The Board was also satisfied with the contribution of Directors, in their individual capacities.

h. Independent Directors Meeting

During the year, a meeting of Independent Directors was held on as required under the Act and in compliance with the requirements under Schedule IV of the Act.

All the Independent Directors were present at the meeting. In the meeting, the Independent Directors reviewed performance of the Board as a whole and the Chairman of the Board. They assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board.

The Independent Directors expressed satisfaction over the performance and effectiveness of the Board and the Chairman. They also expressed satisfaction with regard to the flow of information between the Management of the Company and the Board.

19. Corporate Governance

Your Company is committed to maintaining the highest standards of Corporate Governance and adheres to the Corporate Governance requirements. The report on Corporate Governance of the Company forms part of the Annual Report and is annexed as **Annexure III.**

20. RBI Guidelines

Your Company has complied with all the applicable regulations prescribed by the Reserve Bank of India from time to time. The disclosures required under RBI Guidelines applicable to the Company are stated in the Notes forming part of Standalone Financial Statements.

21. Secretarial Standards

Your Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

22. Compliance

Your Company has a Board approved Compliance Policy to effectively monitor and supervise the compliance function in accordance with the statutory requirements. The Audit Committee reviews the performance of the compliance functions, the effectiveness of controls and compliance with regulatory guidelines and gives such directions to the Management as necessary/considered appropriate.

23. Auditors and Auditors Report

a. Auditors Report

M/s. Khandelwal Jain & Co. (ICAI FRN: 105049W) has issued an Audit Report dated April 30, 2024, forming part of the Annual Report. There are no qualifications, reservation, adverse remark or disclaimer given by the Statutory Auditor in their Report for the year under review.

No frauds in terms of the provisions of section 143(12) of the Act have been reported by the Statutory Auditors

b. Statutory Auditors

Pursuant to the provisions of Sections 139 and 142 of the Act and Rules made thereunder and in line with guidelines issued by the RBI on appointment of statutory Auditors of NBFCs, the Members appointed M/s. Khandelwal Jain & Co., as the statutory auditors of the Company from 5th Annual General Meeting (AGM) to the 6th AGM, to be held in the year 2024.

In view of the same, the term of M/s. Khandelwal Jain & Co. would end at the ensuing 6th AGM. Accordingly, the Board of Directors based on the recommendation of Audit Committee have proposed to the members at the ensuing AGM for the appointment of M/s. S.R. Batliboi & Associates LLP, Chartered Accountants (FRN: 101049W/E300004) as Statutory Auditors for a term of three (3) years commencing from the conclusion of 6^{th} AGM till the conclusion of 9^{th} AGM to be held in 2027 in line with the aforementioned guidelines issued by the RBI.

M/s. S.R. Batliboi & Associates LLP have given confirmation to the effect that they are eligible with their appointment and that they have not been disqualified in any manner from being appointed as Statutory Auditors of the Company specified under the Act and the RBI Guidelines.

c. Cost records and Auditors

Under the provision of Section 148 of the Companies Act, 2013, your Company is not required to maintain the Cost records for the services rendered. Hence, the disclosure required under Rule 8 of the Companies (Accounts) Rules, 2014 is not applicable.

d. Secretarial Audit

Under the provision of Section 204 of the Companies Act, 2013 read with Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. MAKS & CO, Company Secretaries (Registration Number No: P2018UP067700) were appointed as Secretarial Auditors for the Financial Year 2023-24. The Secretarial Audit Report issued by the Secretarial Auditor in Form MR-3 is annexed as **Annexure IV.**

There are no qualification, reservation, adverse remark or disclaimer given by the Secretarial Auditor in his Report for the year under review.

e. Internal Audit and adequacy of Internal Financial Control

Your Board confirms that the Company has well-established internal control systems in place which are commensurate with the nature of its business and the size, scale and complexity of its operations. Testing of such systems forms a part of review by the Internal Audit ("IA") function. The scope and authority of the IA function is defined in the Board approved Risk Based Internal Audit Policy. The Company has implemented an RBIA Programme in accordance with the requirements of RBI circular dated February 3, 2021.

The IA function of the Company monitors and evaluates the efficacy and adequacy of the internal control system in the Company to ensure that financial reports are reliable, operations are effective and efficient and activities comply with applicable laws and regulations. Based on the report of the IA function, process owners undertake corrective action, if any, in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee ("AC") of the Company from time to time.

24. Particulars of contracts or arrangements with related parties

Your Company has a policy for Related Party Transactions (RPTs), which has been approved by the Board of Directors. The policy is available on the website of the Company at https://protium.co.in/wp-content/uploads/2023/02/Related-Party-Transaction-Policy.pdf.

There were no materially significant related party transactions made by the Company which may have a potential conflict with the interest of the Company at large. Omnibus approval was obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and at arm's length. All related party transactions were placed before the Audit Committee for review and approval on a quarterly basis.

The disclosure of related party transactions as required under Section 134(3) (h) of the Act in Form AOC 2 is attached to this report as **Annexure V.**

The details of related party transactions with the related parties entered into during the financial year are disclosed in Note No. 46 and Note No 50(d) of the Standalone Financial Statements of the Company.

25. Corporate Social Responsibility (CSR)

Your Company believes that CSR is a way of creating shared value and contributing to social and environmental good. The Company's CSR activities are guided and monitored by the Board and CSR Committee. The CSR Policy of the Company, provides a broad set of guidelines including intervention areas, is available on the website of the Company at https://protium.co.in/wp-content/uploads/2023/02/Corporate-Social-Responsibility-Policy.pdf.

For FY24, your Company has spent Rs. 67.80 lakhs as CSR expenditure towards CSR project viz., Cuddles Foundation. The Cuddles Foodheals Program has provided vital support to the young fighters in their battle against cancer.

The Annual report on CSR activities as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 is enclosed as **Annexure VI** and forms part of this report.

26. Particulars of Loans, Guarantee, Security or Investments

Pursuant to Section 186(11) (a) of the Act read with Rule 11(2) of the Companies (Meetings of Board and its Powers) Rules, 2014, the loan made, guarantee given, or security provided in the ordinary course of business by a Non- Banking Financial Company (NBFC) registered with Reserve Bank of India are exempt from the applicability of provisions of Section 186 of the Act. Thus, provisions of Section 186, except sub-section (1) of the Act, are not applicable to the Company.

The details of the Investments made by the Company are furnished under Note No 9 of Notes forming part of the Standalone Financial Statements of the Company for the year ended March 31, 2024.

27. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

There are no significant and material orders passed by the regulators or courts or tribunals that would impact the going concern status of the Company and its future operations.

28. Annual Return

The Annual Return in Form MGT-7 as required under Section 92(3) of the Companies Act, 2013 ("The Act") read with Section 134(3) of the Act, shall be hosted on the website of the Company athttps://protium.co.in/regulatory-disclosure/.

29. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Out-Goings

The provisions of Section 134(3)(m) of the Act, the rules made there under relating to conservation of energy and technology absorption do not apply to your Company as the Company is engaged in providing financial services. The Company is taking every necessary step to reduce its consumption of energy, Further, your Company has been increasingly using information technology in its operations and promotes conservation of energy and resources. The details of foreign exchange earnings and foreign exchange expenditures are as below:

(Rupees in Lakhs)

# Particulars	FY 2023-24	FY 2022-23
Foreign exchange earnings	-	-
Foreign exchange expenditures	16.53	11.84

30. Policy on Appointment and Remuneration of Directors, Key Managerial Personnel and Senior Management

Pursuant to the provisions of Section 178(3) of the Act and Master Direction on RBI Scale Based Regulation, your Company has formulated Compensation Policy for Directors, Key Managerial Personnel and Senior Management Employee which is available on the website of the Company at https://protium.co.in/wp-content/uploads/2023/12/Compensation-Policy.pdf

31. Risk Management

Your Company follows various strategies in its operational function for mitigating various risks. It acknowledges and identifies that it is prone to certain inherent risks, while operating as a NBFC-ML. The Risk Management Committee (RMC) of the Board has approved a policy which clearly lays down the process of risk management in the Company, with a view to create an enterprise-wide risk framework. The established framework is designed to achieve the following objectives across key risk categories:

1. Effective risk identification, measurement, monitoring, reporting and control.
2. A well constituted organizational structure clearly defines roles and responsibilities of individuals involved in risk-taking as well as managing it.
3. Effective management information system that ensures flow of information from operational level to top management and a system to address any exceptions observed.
4. The framework to ensure an ongoing training of risk professional and overall PFL employees, review of systems, policies and procedures for risk management and procedure to adopt changes.

Your Company is exposed to the following types of major risks categories:

- Credit Risk
- Liquidity Risk, Interest Rate Risk and Market Risk
- Operational Risk
- IT Security Risk

In addition to the Risk Management Committee, Asset Liability Committee & Interest Rate Committee, IT Strategy Committee and Audit Committee are sub-committees constituted by the Board to oversee and control risk related to Liquidity and IT security. We have policies in place to address these risks, which are reviewed annually by senior management and approved by the Board of Directors.

Credit Risk

Credit risk arises from the potential that an obligor is either unwilling to perform on an obligation or its ability to perform such obligation is impaired resulting in economic loss to the organization. The objective of credit risk management is to ensure credit quality of portfolio through an evaluation of the credit process, creditworthiness of customers, new or existing, assessment of the risks involved and ensuring a measured approach to address the risks. Credit risk management includes identification, measuring and monitoring of credit quality of portfolio periodically and taking appropriate action to mitigate excessive buildup of risk.

Operational Risk

Operational risk arises due to the failure of controls or a combined failure of people, systems, and processes. Operational risk incidents can also be triggered due to external events. The activities which the Company undertakes, exposes it to various types of operational risks. Your Company has established a robust framework to identify key sources of operational risk, eliminate risk using a combination of robust process design and use of technology, establish control frameworks to ensure adherence to processes and monitor deviations via system checks and exceptions.

Liquidity Risk, Interest Rate Risk and Market Risk

In order to ensure a sound and robust liquidity risk management system, the Board has framed a liquidity risk management structure / framework which ensures that it maintains sufficient liquidity, including a cushion of unencumbered, high quality liquid assets to withstand a range of stress events, including those involving the loss or impairment of funding sources. Your Company has set up a comprehensive as well as dynamic framework for measuring, monitoring and managing liquidity and interest rate risks of major operators in the financial system, that need to be closely integrated with the Company's business strategy.

A structured Internal Capital Adequacy Assessment Process ("ICAAP") is in place to enhance Board and Senior Management's ability to understand the existence of capital flexibility in line with the defined risk appetite. The ICAAP evaluates capital requirements under different stress scenarios.

IT Risk

The IT Strategy committee of the Board has framed a framework for managing risk associated with Information Technology, Cyber threats, Business Continuity. Your Company has a dedicated technology team to build the core system used for origination, underwriting and loan servicing. The technology platform is periodically tested by both internal and external security experts to identify security vulnerabilities and evolving security threats.

32. Business Continuity

Your Company has well-defined Business Continuity Management Programme which has been designed to ensure continuity of critical processes during any disruption. A robust Disaster Recovery framework has been put in place to ensure uninterrupted operations and service to customers. There was a continued focus on Cyber Security and the Company continued to invest in a strong Cyber Defence Programme.

33. Whistle Blower Policy

In compliance with the provisions of Section 177(9) of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, your Company has formulated an effective Whistle Blower Policy for Directors and employees to report their genuine concerns. The 'Whistle Blower Policy' is available on the website of the Company at https://protium.co.in/wp-content/uploads/2023/02/Whistle-Blower-Policy.pdf.

During the year under review, one (1) case under vigil mechanism was reported to the Company and was disposed off with the timeline.

34. Particulars of Employees and Related Information

As per Section 197(12) of the Act read with rules 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, are not applicable to your Company.

35. Director's Responsibility Statement

Pursuant to the requirements under Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

a. in the preparation of the annual financial statements for the financial year ended on March 31, 2024, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any.

b. Your Company has selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the profit of the Company for the financial year ended on that date.

c. Your Company has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

d. Your Company has prepared the annual financial statements for the financial year ended on March 31, 2024, on a 'going concern' basis.

e. Your Company has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

36. Code for Prohibition of Insider Trading

Pursuant to SEBI (Prohibition of Insider Trading) Regulation 2015, as amended, your Company has a Board approved Insider Trading Code i.e. Code of Internal Procedures and conduct for prevention of insider trading for its listed Non-Convertible Debentures of the Company. The said code is available on the website of the Company at https://protium.co.in/wp-content/uploads/2023/01/Protium-_Insider-Trading-Code.pdf.

37. Management Discussion and Analysis

The report on Management Discussion and Analysis of the Company as per Master Direction on RBI Scale Based Regulation forms part of the Board Report and is annexed as **Annexure VII.**

38. Fraud Reporting

The Company reports occurrence of fraud to the RBI every quarter in terms of the RBI regulations. The detail of fraud occurred during the quarter are placed before the Board/Audit Committee meeting on a quarterly basis. There was one (1) instance of fraud reported in the FY 2023-24 and accordingly, FMR1 has been filed in line with regulatory requirements.

39. Disclosure under the harassment of women at workplace (prevention, prohibition and redressal) Act, 2013

Your Company has zero tolerance for sexual harassment at workplace and has adopted a policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace as per the requirement of the Sexual Harassment of Women at workplace (Prevention, Prohibition & Redressal) Act, 2013 ('POSH Act') and Rules made thereunder.

With the objective of providing a safe environment, your Company has constituted Internal Committee under POSH Act to redress complaints received regarding sexual harassment. All employees – permanent, contractual, temporary and trainees are covered under this policy. The policy on Prevention of Sexual Harassment at Workplace is uploaded on the website of the Company which can be accessed at https://protium.co.in/wp-content/uploads/2023/12/POSH-Policy_Final_Dec23_V1.4.pdf. Your Company did not receive any complaint during the year under review.

40. Confirmation under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 on Downstream Investment

Your Company has raised foreign investments and it is owned and controlled by persons resident outside India ("**FOCC**") as defined under the Foreign Exchange Management Act, 1999, Rules and Regulations issued thereunder including under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 ("**NDI Rules**").

During the financial year FY2023-24, your Company didn't make any downstream investment.

41. Unclaimed Amount

During FY 2023-24, no amount was required to be transferred to the Investor Education and Protection Fund. Further, pursuant to the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("Rules") and Regulation 61A of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, Mr. Amit Kumar Gupta has been appointed as the Nodal Officer of the Company, for the purpose of verification of claims and co-ordination with the IEPF Authority. The contact details of Persons handling Investor Grievance are available on the website of the Company at https://protium.co.in/regulatory-disclosure/.

42. General

Your directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

a. Issue of equity shares with differential rights as to dividend, voting or otherwise
b. Issue of bonus shares or preferential issue of shares etc.
c. transfer of unpaid or unclaimed amount to Investor Education and Protection Fund.
d. Scheme for provision of money for the purchase of its own share by employees or by trustees for the benefit of employees.
e. The Managing Director of the Company doesn't receive any remuneration or commission from its subsidiary.
f. 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.
g. no proceeding for Corporate Insolvency Resolution Process initiated Under the Insolvency and Bankruptcy Code, 2016.

43. Acknowledgements

Your directors would like to express their sincere appreciation for the co-operation and assistance received from Bankers, Financial Institutions, Lenders, Reserve Bank of India and all other government and regulatory authorities for the support and co-operation extended by them from time to time. Your directors also place on record their sincere appreciation for the continued support extended by the Company's stakeholders and trust reposed by them in the Company. Your directors also wish to place on record their deep sense of appreciation for the commitment displayed by the employees of the Company and its subsidiaries across all levels for exhibiting outstanding performance during the year.

On behalf of the Board of Directors
For Protium Finance Limited

Sd/-
Peeyush Misra
Chairperson of Board
DIN: 08422699

Date: July 31, 2024
Place: Mumbai

ANNEXURE – I TO BOARD'S REPORT

FORM- AOC-1

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

1. **Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures**

Part A: Subsidiaries

₹ in Lakhs

Sr. No.	Particulars	Subsidiary 1	Subsidiary 2
1.	Name of the subsidiaries	Protium Business Services Private Limited	Shibui Technologies Private Limited
2.	The effective date from which entity became subsidiary of the Company	March 2, 2021	March 24, 2023
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	NA	NA
4.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	NA	NA
5.	Share Capital	760.00	1.00
6.	Reserves and Surplus	31.07	4.07
7.	Total Assets	931.93	10.23
8.	Total Liabilities	140.86	5.16
9.	Investments	-	-
10.	Turnover	4720.28	33.70
11.	Profit before Taxation	11.38	5.83
12.	Provision for Taxation	4.52	1.47
13.	Profit after Taxation	6.86	4.37
14.	Proposed Dividend	-	-
15.	Extent of shareholding (in percentage)	100%	100%

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures- **Not Applicable**

Notes: The following information shall be furnished at the end of the statement as on March 31, 2024:

1. Names of subsidiaries which are yet to commence operations - None
2. Names of subsidiaries which have been liquidated or sold during the year: Not applicable.

On behalf of the Board of Directors
For **Protium Finance Limited**

Sd/-
Peeyush Misra
Managing Director & CEO
DIN: 08422699

Sd/-
Parveen Kumar Gupta
Independent Director
DIN: 02895343

Sd/-
Amit Kumar Gupta
Chief Financial Officer

Sd/-
Anshu Mohta
Company Secretary

Date: July 31, 2024
Place: Mumbai

ANNEXURE III- TO BOARD'S REPORT

CORPORATE GOVERNANCE REPORT

1. Board of Directors

The Board of the Company is an apex body, which oversees overall functioning, provides a strategic, direction, guidance, leadership and owns the fiduciary responsibility to ensure that your company's actions and objectives are aligned in creating long term value for its stakeholders. The Board helps the Company in adhering high Corporate Governance practices.

The Board of Directors has a mix of Executive and Non-Executive Independent Directors. As on March 31, 2024, the Board comprised of five (5) members including one (1) Managing Director & CEO and four (4) Independent Directors. The Independent Directors include two women directors.

1.1 Composition of the Board

Sr. No.	Name of Director	Director since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	DIN	No. of other Director ships	Remuneration (in Rs.)			No. of shares held in and convertible instruments held in the NBFC
						Salary and other compensation	Sitting Fee (In Rs.)	Commission	
1	Mr. Peeyush Misra*	15.04.2019	Managing Director & CEO (Executive Director)	08422699	Nil	Nil	Nil	Nil	0
2	Mr. Parveen Kumar Gupta	23.12.2021	Independent Director	02895343	7	Nil	26,16,000	39,24,000	18,564
3	Ms. Anuradha Rao #	29.08.2023	Independent Director	07597195	2	Nil	11,99,000	Nil	0
4	Ms. Dakshita Das ##	16.02.2024	Independent Director	07662681	3	Nil	Nil	Nil	0
5	Mr. Sitaram Kunte ##	16.02.2024	Independent Director	02670899	2	Nil	Nil	Nil	0

* Mr. Peeyush Misra was re-designated as the Managing Director & CEO for a period of five years w.e.f. May 9, 2023
#Ms. Anuradha Rao is appointed as Independent director for the first term of five years w.e.f. August 29, 2023
Ms. Dakshita Das and Mr. Sitaram Kunte are appointed as Independent directors for the first term of five years w.e.f. February 16, 2024 subject to approval of members at the ensuing AGM.

1.2 Details of change in the composition of your Board of Directors during the current and previous financial year

Current Financial Year- (2023-24)

Sr. No.	Name of Director/ ~~KMP~~	Capacity (i.e., Executive/ Non Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (resignation, appointment)	Effective date
1	Mr. Peeyush Misra	Managing Director & CEO (Executive)	Redesignated as Managing Director & CEO	May 9, 2023
2	Ms. Anuradha Rao	Independent Director	Appointment	August 29, 2023
3	Mr. Peruvemba Ramachandran Seshadri	Independent Director	Resignation *	September 13, 2023
4	Ms. Dakshita Das	Independent Director	Appointment	February 16, 2024
5	Mr. Sitaram Kunte	Independent Director	Appointment	February 16, 2024

* Resigned due to appointment as a Managing Director and CEO in a Bank

Previous Financial Year (2022-23)

Sr. No	Name of Director	Capacity (i.e., Executive/ Non Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (resignation, appointment)	Effective date
1	Mr. Gurvinder Singh Juneja	Whole Time Director	Resignation	May 6, 2022

The Board of Directors of the company met eight times during the year. The Board Meetings were held on April 7, 2023, May 9, 2023, July 20, 2023, August 29, 2023, September 30, 2023, October 28, 2023, January 20, 2024 and February 16, 2024.The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

The Non-executive Independent directors receive remuneration by way of sitting fees of Rs. 1,00,000/- (One Lakh) for attending each meeting of the Board and/or Committees thereof and commission as decided by the Board from time to time subject to the limits specified under the Act.

During the financial year under review, there were no pecuniary relationship/transactions of any of the Non-Executive Directors with the Company apart from sitting fees for attending various Board/Committee Meetings and commission paid to Independent Directors.

The details of attendance of the Directors in the Board Meetings for the year ended March 31, 2024 are as follows:

Sr. No	Name of the Director	No. of meetings eligible to attend	Meetings attended
1	Mr. Peeyush Misra	8	8
2	Mr. Parveen Kumar Gupta	8	8
3	Mr. Peruvemba Ramachandran Seshadri	4	4
4	Ms. Anuradha Rao	4	4
5	Ms. Dakshita Das (appointed w.e.f. February 16, 2024)	0	0
6	Mr. Sitaram Kunte (appointed w.e.f. February 16, 2024)	0	0

1.3 Inter-se Relationship amongst Directors

None of the Director is related to any other Director on the Board of the Company in terms of the provisions of the Act and the Rules framed thereunder.

2. Committees of the Board and their composition

In accordance with the applicable provisions of the Companies Act, 2013 and the circular(s), notification(s) and directions issued by the Reserve Bank of India and the Company's internal corporate governance requirements, the Board has constituted following Committees to focus on specific terms of reference and ensure expedient resolution on diverse matters.

1. Audit Committee
2. Nomination and Remuneration Committee
3. Risk Management Committee
4. IT Strategy Committee
5. Asset Liability Committee and Interest Rate Committee
6. Corporate Social Responsibility Committee
7. Stakeholders Relationship Committee

All the recommendations of the committee's were accepted by the Board.

2.1 Audit Committee

The Board of the Company has constituted Audit Committee in accordance with the provisions of the Companies Act 2013 and rule made thereunder and Master- Directions issued by Reserve Bank of India. The Board reviews the working of the Committee from time to time to bring about greater effectiveness in order to comply with the various requirements under the Act, SEBI Regulations and NBFC Regulations. The terms of reference of the Committee are in accordance with the Act, SEBI Listing Regulations and NBFC Regulations. The major terms of reference of Audit Committee include oversight of the Company's financial reporting process and disclosure of its financial information, review of financial statements, recommendation for appointment, remuneration and terms of appointment of auditors, review of compliances, systems and controls and approval or any subsequent modification of transactions with related parties.

The Audit Committee comprised of three (3) directors i.e. Mr. PK Gupta, Mr. Peeyush Misra and Ms. Anuradha Rao as the members as on March 31, 2024. One of the independent director was elected as the chairman of the meeting. The Audit Committee met Four (4) times during the Financial Year under review being May 9, 2023, July 20, 2023, October 28, 2023 and January 20, 2024.

Below are the requisite details of the Audit Committee as on March 31, 2024 in terms of Section II on Financial Statements of NBFC - ML of the Master Direction on RBI Scale Based Regulation dated October 19, 2023.

Sr. No.	**Name of Director/~~Member~~**	**Member of Committee since**	**Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)**	**Number of Meetings of Committee**		**No. of shares held in the NBFC**
				Held	**Attended**	
1	Mr. Peruvemba Ramachadran Seshadri *	23.12.2021	Independent Director	2	2	49,900
2	Mr. Parveen Kumar Gupta	23.12.2021	Independent Director	4	4	18,564
3	Mr. Peeyush Misra	23.12.2021	Managing Director & CEO	4	4	0
4	Ms. Anuradha Rao #	22.09.2023	Independent Director	2	2	0

* Resigned as Chairman of Audit Committee and as an Independent Director of the Company w.e.f. September 13, 2023
# Appointed as a member of the Audit Committee w.e.f. September 22, 2023

<u>2.2 Nomination and Remuneration Committee</u>

The Board of the Company has constituted Nomination and Remuneration Committee in accordance with the provisions of the Companies Act 2013 and rule made thereunder and Master- Directions issued by Reserve Bank of India. The major terms of reference of the Nomination and Remuneration Committee inter alia, includes formulation of criteria for determining qualifications, positive attributes and independence of a director, recommendation of persons to be appointed to the Board and Senior Management and specifying the manner for effective evaluation of performance of Board, its Committees, Chairperson and individual directors, recommendation of remuneration policy for directors, key managerial personnel and other employees, formulation of criteria for evaluation of performance of independent directors and the Board, etc.

The Nomination and Remuneration Committee comprised of three (3) directors i.e. Mr. Parveen Kumar Gupta, Mr. Peeyush Misra and Ms. Anuradha Rao as the members as on March 31, 2024. One of the independent director was elected as the chairman of the meeting The Nomination and Remuneration Committee met four (4) times during the Financial Year under review on May 9, 2023, July 20, 2023, August 29, 2023 and February 16, 2024.

Below are the requisite details of the Nomination and Remuneration Committee as on March 31, 2024 in terms of Section II on Financial Statements of NBFC - ML of the Master Direction on RBI Scale Based Regulation dated October 19, 2023.

Sr. No.	**Name of Director/~~Member~~**	**Member of Committee since**	**Capacity (i.e., Executive/ Non-Executive/ Chairman/**	**Number of Meetings of Committee**		**No. of shares held in the NBFC**
				Held	**Attended**	

			Promoter nominee/ Independent)			
1	Mr. Peruvemba Ramachadran Seshadri *	23.12.2021	Independent Director	3	3	49,900
2	Mr. Peeyush Misra	23.12.2021	Managing Director & CEO	4	4	0
3	Mr. Parveen Kumar Gupta	23.12.2021	Independent Director	4	4	18,564
4	Ms. Anuradha Rao #	22.09.2023	Independent Director	1	1	0

* Resigned as Chairman of Nomination and Remuneration Committee and as an Independent Director of the Company w.e.f. September 13, 2023
# Appointed as a member of the Nomination and Remuneration Committee w.e.f. September 22, 2023

2.3 Risk Management Committee

The Board of the Company has constituted Risk Management Committee in accordance with the Master-Directions issued by Reserve Bank of India.The major terms of reference of the Committee, inter alia, include, managing the integrated risk, design and implement the risk management and internal control systems in conjunction with existing business processes and systems, to manage the Company's material business risk, establishing policies for the monitoring and evaluation of risk management systems to assess the effectiveness of those systems in minimizing risks that may impact adversely on the business objectives of the Company.

Risk Management Committee comprised of of three (3) directors i.e. Mr. Parveen Kumar Gupta, Mr. Peeyush Misra and Ms. Anuradha Rao as the members as on March 31, 2024. One of the independent director was elected as the chairman of the meeting The Risk Management Committee met five (5) times during the Financial Year under review on June 12, 2023, September 9, 2023, December 28, 2023, January 20, 2024 and March 8, 2024.

Below are the requisite details of the Risk Management Committee as on March 31, 2024 in terms of Section II on Financial Statements of NBFC - ML of the Master Direction on RBI Scale Based Regulation dated October 19, 2023.

Sr. No.	**Name of Director/~~Member~~**	**Member of Committee since**	**Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)**	**Number of Meetings of Committee**		**No. of shares held in the NBFC**
				Held	**Attended**	
1	Mr. Peruvemba Ramachadran Seshadri *	04.10.2021	Independent Director	2	2	49,900
2	Mr. Peeyush Misra	04.10.2021	Managing Director & CEO	5	5	0
3	Mr. Parveen Kumar Gupta	23.12.2021	Independent Director	5	5	18,564

4	Ms. Anuradha Rao #	22.09.2023	Independent Director	3	3	0

* Resigned as Chairman of Risk Management Committee and as an Independent Director of the Company w.e.f. September 13, 2023
# Appointed as a member of the Risk Management Committee w.e.f. September 22, 2023

2.4 Information Technology Strategy Committee (IT Strategy Committee)

The Board of the Company has constituted IT Strategy Committee in accordance with the Master- Directions on Information Technology issued by Reserve Bank of India.

The major terms of reference of IT Strategy Committee, inter alia, includes approving IT strategy and policy documents, to ensure that management has an effective strategic planning process and to ensure that IT strategy is aligned with business strategy.

IT Strategy Committee comprised of of five (5) members (2 Directors and 3 Employees) i.e. Mr. Parveen Kumar Gupta, Mr. Peeyush Misra, Mr. Padmanabhan Balasubramanian, Mr. Dhrumil Shah and Mr. Vivek Chhikara as on March 31, 2024. One of the independent director was elected as the chairman of the meeting. The IT Strategy Committee was re-constituted on April 30, 2024 comprising of three (3) members (3 Directors) Mr. Peeyush Misra, Mr. PK Gupta and Ms. Anuradha Rao. The IT strategy Committee met four (4) times during the Financial Year under review on June 17, 2023, September 29, 2023, December 19, 2023 and March 31, 2024.

Below are the requisite details of the IT Strategy Committee as on March 31, 2024 in terms of Section II on Financial Statements of NBFC - ML of the Master Direction on RBI Scale Based Regulation dated October 19, 2023.

Sr. No.	Name of Director/~~Member~~	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of Committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. Peruvemba Ramachadran Seshadri *	23.12.2021	Independent Director	1	1	49,900
2	Mr. Peeyush Misra	23.12.2021	Managing Director & CEO	4	3	0
3	Mr. Parveen Kumar Gupta #	22.09.2023		3	3	18,564
4	Mr. Padmanabhan Balasubramanian	23.12.2021	Employee	4	3	1,67,026
5	Mr. Dhrumil Shah	23.12.2021	Employee	4	4	0
6	Mr. Vivek Chhikara	23.12.2021	Employee	4	4	0

* Resigned as Chairman of IT Strategy Committee and as an Independent Director of the Company w.e.f. September 13, 2023

Appointed as a member of the IT Strategy Committee w.e.f. September 22, 2023

2.5 Asset Liability Committee and Interest Rate Committee

The Board of the Company has constituted Asset Liability Committee and Interest Rate Committee in accordance with the Master- Directions issued by Reserve Bank of India.The major terms of reference of Asset Liability Committee and Interest Rate Committee, inter alia, includes responsible for ensuring adherence to the limits set by Board as well as for deciding the Business strategy of the Company, on the assets and liabilities side, in line with the Company's budget and decided risk management objectives. Monitoring of rolling forecasts of the Company liquidity position, maturities of the financial assets and cash / cash equivalents, managing market risks, funding and capital planning, profit planning and growth projection forecasting and to analyse 'What if scenario' and preparation of contingency plans, behavioural analysis of the pre-payments of loan assets, formulating Interest rate policy and its framework and maintaining liquidity management.

The Asset Liability Committee and Interest Rate Committee comprises of five (5) members. Mr. Peeyush Misra is the Chairman in the committee, Mr. Padmanabhan Balasubramanian, Mr. Amit Garg, Mr. Amit Gupta and Mr. Yatin Paliwal are the members of the Committee. The Asset Liability Committee and Interest Rate Committee met Four (4) times during the Financial Year under review being May 8, 2023, July 17, 2023, Octobre 28, 2023 and January 19, 2024.

Below are the requisite details of the Asset Liability Committee and Interest Rate Committee as on March 31, 2024 in terms of Section II on Financial Statements of NBFC - ML of the Master Direction on RBI Scale Based Regulation dated October 19, 2023.

Sr. No.	**Name of Director/~~Member~~**	**Member of Committee since**	**Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)**	**Number of Meetings of Committee**		**No. of shares held in the NBFC**
				Held	**Attended**	
1	Mr. Peeyush Misra	23.12.2021	Managing Director & CEO	4	4	0
2	Mr. Yatin Paliwal	23.12.2021	Employee	4	4	0
3	Mr. Padmanabhan Balasubramanian	23.12.2021	Employee	4	4	1,67,026
4	Mr. Amit Garg	23.12.2021	Employee	4	4	1,67,026
5	Mr. Amit Gupta *	20.07.2023	Chief Financial Officer	2	2	0

* Appointed as member of Asset Liability Committee and Interest Rate Committee w.e.f. July 20, 2023

Asset Liability Management (ALM) Support Group:

The ALM Support Group was formed in April 2024 comprises of the following

- Mr. Yatin Paliwal – Deputy CFO
- Mr. Anand Agarwal – Director Treasury
- Mr. Jimit Shethwala – Director Treasury
- Mr. Gaurav Bharadwaj – Director Finance

2.6 Corporate Social Responsibility Committee

The Board of the Company has constituted Corporate Social Responsibility Committee in accordance with the provisions of the Companies Act 2013 and rule made thereunder. The major terms of reference of Corporate Social Responsibility Committee includes reviewing the CSR Policy and associated frameworks and make appropriate recommendations to the Board, identification of the areas of CSR activities and recommend the amount of expenditure to be incurred, monitoring and ensuring implementation of the projects / programmes / activities proposed to be undertaken by the Company, collaborate with such other agency for implementing programs and executing initiatives as per CSR Policy and shall review the performance of such other agency periodically.

The Corporate Social Responsibility Committee was constituted during the Financial Year under review on October 28, 2023 and comprised of of three (3) directors i.e. Ms. Anuradha Rao, Mr. Peeyush Misra and Mr. Parveen Kumar Gupta as the members of the Corporate Social Responsibility Committee as on March 31, 2024. One of the independent director was elected as the chairman of the meeting. The Corporate Social Responsibility Committee met once (1) during the Financial Year under review on January 20, 2024.

Below are the requisite details of the Corporate Social Responsibility Committee as on March 31, 2024 in terms of Section II on Financial Statements of NBFC - ML of the Master Direction on RBI Scale Based Regulation dated October 19, 2023.

Sr. No.	Name of Director/Member	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of Committee		No. of shares held in the NBFC
				Held	Attended	
1	Ms. Anuradha Rao	28.10.2023	Independent Director	1	1	0
2	Mr. Peeyush Misra	28.10.2023	Managing Director & CEO	1	1	0
3	Mr. Parveen Kumar Gupta	28.10.2023	Independent Director	1	1	18,564

2.7 Stakeholders Relationship Committee

The Board of the Company has constituted Stakeholders Relationship Committee in accordance with the provisions of the Companies Act 2013 and rule made thereunder. The major terms of reference of Stakeholders Relationship Committee includes resolving the grievances of the security holders, review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent, review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends, timely payment of dividend/ annual reports/statutory notices to the shareholders, timely payment of interest /annual reports/statutory notices to the debenture holder and to ensure timely redemption of Bonds/debentures of the Company.

The Stakeholders Relationship Committee was constituted during the Financial Year under review on January 20, 2024 and comprised of of three (3) directors i.e. Ms. Anuradha Rao, Mr. Peeyush Misra and Mr. Parveen Kumar Gupta as on March 31, 2024.

Below are the requisite details of the Stakeholders Relationship Committee as on March 31, 2024 in terms of Section II on Financial Statements of NBFC - ML of the Master Direction on RBI Scale Based Regulation dated October 19, 2023.

Sr. No.	**Name of Director/Member**	**Member of Committee since**	**Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)**	**Number of Meetings of Committee**		**No. of shares held in the NBFC**
				Held	**Attended**	
1	Ms. Anuradha Rao	20.01.2024	Independent Director	0	0	0
2	Mr. Peeyush Misra	20.01.2024	Managing Director & CEO	0	0	0
3	Mr. Parveen Kumar Gupta	20.01.2024	Independent Director	0	0	18,564

3. Details of General Board Meetings

During the Financial year under review, the Company had held 1(one) Annual General Meeting and 3 (three) Extra Ordinary General Meeting. The details are as under:

Sr. no	**Type of Meeting (Annual/ Extra Ordinary)**	**Date and Place**	**Special resolutions passed**
1	Extra Ordinary General Meeting	June 26, 2023 at the Registered Office at 7th Floor, Block B2, Phase I Nirlon Knowledge Park, Pahadi Village, Off. Western Express Highway, Cama Industrial Estate, Goregaon East, Mumbai - 400063	1. Change in Designation of Mr. Peeyush Misra (DIN: 08422699) from Whole Time Director to Managing Director and Chief Executive Officer 2. Amendment of Article of Association of the Company
2	Extra Ordinary General Meeting	September 1, 2023, at the Registered Office at 7th Floor, Block B2, Phase I Nirlon Knowledge Park, Pahadi Village, Off. Western Express Highway, Cama Industrial Estate, Goregaon East, Mumbai - 400063	**Ordinary resolution was passed for the following:** Appointment of Ms. Anuradha Rao (DIN: 07597195) as an Non-Executive Independent Director of the Company
3	Annual General Meeting	September 11, 2023, at the Registered	**Ordinary resolution was passed for the following:**

		Office at 7th Floor, Block B2, Phase I Nirlon Knowledge Park, Pahadi Village, Off. Western Express Highway, Cama Industrial Estate, Goregaon East, Mumbai - 400063	1. Adoption of Audited Financial Statements (Standalone and Consolidated) for the Financial Year Ended March 31, 2023 and the Reports of the Board of Directors and Auditors 2. Re-appointment of M/s. Khandelwal Jain & Co., Chartered Accountants, as the Statutory Auditors of the Company 3. To appoint a Director in place of Mr. Peeyush Misra (DIN: 08422699), who retires by rotation and being eligible, offers himself for re-appointment **Special Resolution was passed for the following:** 4. Approval of borrowing under Section 180(1)(c) & 179(3)(d) of the Companies Act, 2013 5. Transfer of loan exposure and / or creation of charge on the Company's assets, both present and future, to / in favour of lenders
4	Extra Ordinary General Meeting	September 30, 2023, at the Registered Office at 7th Floor, Block B2, Phase I Nirlon Knowledge Park, Pahadi Village, Off. Western Express Highway, Cama Industrial Estate, Goregaon East, Mumbai - 400063	Reclassification of Authorised Share Capital and consequent Alteration of Capital Clause of the Memorandum of Association

4. Details of Non- compliance with the requirements of the Companies Act, 2013

The Company has complied with the requirements of Companies Act, 2013, including with respect to compliance with accounting and secretarial standards and there being no default in this connection.

5. Details of Penalties and Strictures

There were no penalties or stricture imposed on the Company by the Reserve Bank or any other statutory authority or regulator.

6. Breach of covenant

The details of breach of covenant during the financial year for the loans are availed or debt securities issued are disclosed in Note No 50(g) of the Standalone Financial Statements of the Company.

7. Divergence in Asset Classification and Provisioning

The details of divergence in asset classification and provisioning during the financial year are disclosed in Note No 50(h) of the Standalone Financial Statements of the Company.

On behalf of the Board of Directors
For **Protium Finance Limited**

Sd/-
Peeyush Misra
Chairperson of Board
DIN: 08422699

Date: July 31, 2024
Place: Mumbai

ANNEXURE – IV TO BOARD'S REPORT

SECRETARIAL AUDIT REPORT

MAKS & CO.
Company Secretaries
FRN: P2018UP067700

O: 516, Wave Silver Tower, Sector 18, Noida – 201301
E: services@forecoreprofessionals.com
D: +120 120 5178033

MR-3
Secretarial Audit Report

For the Financial Period Ended March 31, 2024
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Protium Finance Limited
Regd. Office: 7th Floor, Block B2, Phase I Nirlon Knowledge Park,
Pahadi Village, Off. Western Express Highway, Cama Industrial Estate,
Goregaon East, Maharashtra – 400 063
[CIN: U65999MH2019PLC323293]

We have conducted secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by Protium Finance Limited (hereinafter referred as **"the Company"**) for the financial year 2023-24 (commencing from April 1, 2023 to March 31, 2024) (**"Audit Period"**). The secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon. Under the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 (herein after known as 'Master Direction on RBI Scale Based Regulation'), the Company is categorized as middle layer (**'NBFC-ML'**). Further, it is also been noted that, during the period under review, the non-convertible securities of the Company are listed on the BSE Limited.

Limitation of the Auditors

(i) Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period, complied with the statutory provisions listed hereunder; and

(ii) Based on the management representation letter/ confirmation and explanation wherever required by us, the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

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D: +120 120 5178033

Auditors Responsibility

(i) Our responsibility is to express the opinion on the compliance with the applicable laws, as per prescribed format, and maintenance of records based on audit. We conducted our audit in accordance with the Guidance Note on Secretarial Audit ("Guidance Note") and Auditing Standards issued by the Institute of Company Secretaries of India. The Guidance Note and Auditing Standards require that we comply with statutory and regulatory requirements and also that we plan and perform the audit so as to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

(ii) Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

(iii) 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 Board processes and compliance-mechanism.

The Members are requested to read Secretarial Audit Report (**"Report"**) along with our letter dated July 02, 2024 enclosed herewith to this Report as **Annexure – A**.

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial period ended on March 31, 2024 according to the applicable provisions of:

   i) The Companies Act, 2013 (the **'Act'**) and the Rules made thereunder read with notification issued by Ministry of Corporate Affairs;

   ii) The Securities Contracts (Regulation) Act, 1956 and the Rules made thereunder;

   iii) The Depositories Act, 1996 and the regulations and byelaws framed thereunder;

   iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, as applicable;

   v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:

      a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (Not applicable to the Company during the audit period);

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b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable to the Company during the audit period);

d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Not applicable to the Company during the audit period);

e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

f) The Securities and Exchange Board of India (Registrars to an issue and share transfer agents) Regulations, 1993 regarding the Companies Act and dealing with clients (Not applicable since the Company is not registered as Registrar to Issue and Share Transfer Agent during the audit period);

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable to the Company during the audit period);

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the audit period); and

i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

vi) Based upon the Management Representation wherever required from the Company, its officers, and compliance reports from the management for systems and mechanism framed by the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, we further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with the following pertinent laws, rules, regulations and guidelines as specifically applicable to the Company: -

a) The Reserve Bank of India Act, 1934; and

b) Master Direction – Reserve Bank of India (Non-Banking Financial Company– Scale Based Regulation) Directions, 2023.

2. We have also examined compliance with the applicable clauses of the following:

   i) Secretarial Standards issued by The Institute of Company Secretaries of India, with respect to board and general meetings (hereinafter referred as 'Secretarial Standards'); and

   ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreements entered into by the Company with BSE Limited.

   During the period under review, to the best of our knowledge and belief and according to the information and explanations given to us by the management, the Company has been regular in compliance with the provisions of the Acts, Rules, Regulations Secretarial Standards and the Listing Agreement, as mentioned above.

3. We further report that compliance of applicable financial laws including direct and indirect tax laws and maintenance of financial records and books of accounts by the Company has not been reviewed in this audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

4. We further report that:

   i) The Board of Directors of the Company is duly constituted with Executive Director, Non-Executive Directors and Independent Directors including Women Directors. Further, the changes in the composition of the Board of Directors that took place during the period under review was carried out in compliance with the provisions of the Act.

   ii) Adequate notice is given to all directors to schedule the Board and Committee Meetings. Notice and Agenda with notes to Agenda of Board and Committee Meetings was sent at least seven days in advance of the meeting except in certain cases where meeting was held at shorter notice and a system exists for directors to seek and obtain further information and clarifications on the agenda items before the meetings and for their meaningful participation at the meetings.

   iii) Decisions of Board/Committee were carried through majority. We have been informed that there were no dissenting members' views on any of the matters during the year that were required to be captured and recorded as part of the minutes.

   iv) There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

v) We further report that during the period covered under the Audit, the Company has no specific actions having bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, guidelines etc., except as mentioned herein below:

- The Company raised a sum of Rs. 49,50,00,000 (Rupees Forty-Nine Crore Fifty Lakhs) by offer, issue and allotment of 4,950 9.79% Listed Rated Senior Secured Transferable Redeemable Non-Convertible Debentures (**"NCD"**) at a face value of Rs.1,00,000/- (Rupees One Lakh) each during the financial year ended March 31, 2024 through Private Placement basis.

For M/s. MAKS & Co.,
Company Secretaries
[FRN P2018UP067700]
Sd/-
Ankush Agarwal
Partner
Membership No.: F9719
COP No.: 14486

Peer View No.: 2064/2024
UDIN: F009719F000646553

Date: 02-07-2024
Place: Noida, U.P.

MAKS & CO.
Company Secretaries
FRN: P2018UP067700

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E: services@forecoreprofessionals.com
D: +120 120 5178033

Annexure –A to Secretarial Audit Report dated July 02, 2024

To,
The Members,
Protium Finance Limited
Regd. Office: Nirlon Knowledge Park (NKP) B6,
2nd Floor, Pahadi Village, Off. Western Express Highway,
Goregaon (E), Mumbai, Maharashtra – 400 063
[CIN: U65999MH2019PLC323293]

The Secretarial Audit Report dated July 02, 2024 is to be read with this Letter.

1. The compliance of provisions of all laws, rules, regulations and standards applicable to Protium Finance Limited (hereinafter referred as 'the Company') is the responsibility of the management of the Company. Our examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.

2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.

3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices followed provide a reasonable basis for the purpose of issue of the Secretarial Audit Report.

4. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company as it is taken care in the statutory audit process.

5. We have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, wherever required.

6. This Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For M/s. MAKS & Co.,
Company Secretaries
[FRN P2018UP067700]

Sd/-

Ankush Agarwal
Partner
Membership No.: F9719
COP No.: 14486
Peer View No.: 2064/2024
UDIN: F009719F000646553
Date: 02-07-2024
Place: Noida, U.P.

ANNEXURE – V TO BOARD'S REPORT

FORM- AOC-2

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

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

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

a) Name(s) of the related party and nature of relationship**:**
b) Nature of contracts/arrangements/transactions**:**
c) Duration of the contracts / arrangements/transactions**:**
d) Salient terms of the contracts or arrangements or transactions including the value, if any**:**
e) Justification for entering into such contracts or arrangements or transactions**:**
f) date(s) of approval by the Board**:**
g) Amount paid as advances, if any**:**
h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188**:**

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

Name(s) of the related party and nature of relationship:	Protium Business Services Private limited – Subsidiary Company
Nature of contracts/arrangements/transactions**:**	Collection and Sourcing Servicing Provider
Duration of the contracts / arrangements/transactions**:**	Since 2021
Salient terms of the contracts or arrangements or transactions including the value, if any**:**	Total value of transactions is INR 1107 Lakhs
Date(s) of approval by the Board, if any**:**	April 28, 2021
Amount paid as advances, if any**:**	-

On behalf of the Board of Directors
For **Protium Finance Limited**

Sd/-
Peeyush Misra
Chairperson of Board
DIN: 08422699

Date: July 31, 2024
Place: Mumbai

ANNEXURE – VI TO BOARD'S REPORT

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2023-24:

The amounts in this annexure is in Indian Rupees

1. Brief outline on CSR Policy of the Company

The Company through its CSR activities intends to participate in the overall development of the society and encourage alignment with Social Development Goals (SDGs) related to gender sensitivity, skill enhancement, entrepreneurship development, research in education, Hygiene & Water etc. The policy lays down the guidelines and mechanism for undertaking socially useful programs for welfare and sustainable development of the community at large. The Company's CSR policy has been framed in accordance with Section 135 of the Companies Act, 2013 and the rules framed thereunder. This Policy covers all the internal dimensions of the CSR structure and further captures and sets out the process of implementation of the CSR related activities.

The Company shall undertake specific corporate social responsibility ("CSR") projects and programmes, as approved from time to time by the Board in its capacity as the CSR Committee of the Company, within the objects set out under Schedule VII of the Companies Act, 2013.

2. Composition of CSR Committee

Sl. No.	Name of the 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.	Ms. Anuradha Rao	Chairperson	1	1
2.	Ms. Parveen Kumar Gupta	Member	1	1
3.	Ms. Peeyush Misra	Member	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

- Composition of CSR committee: https://protium.co.in/investors-relations/
- CSR Policy: https://protium.co.in/wp-content/uploads/2023/02/Corporate-Social-Responsibility-Policy.pdf
- CSR projects: https://protium.co.in/investors-relations/

4. Executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable

Not Applicable

5. (a) Average Net profit of the Company as per Section 135(5): INR 3,374.19 lakhs
(b) Two percent of average net profit of the company as per Section 135(5): INR 67.48 lakhs
(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
(d) Amount required to be set off for the financial year, if any: Nil
(e) Total CSR obligation for the financial year [(b)+(c)-(d)]: INR 67.48 lakhs

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): INR 67.80 lakhs were spent on projects other than ongoing projects as on March 31, 2024
(b) Amount spent in Administrative Overheads: Nil
(c) Amount spent on Impact Assessment, if applicable: Not Applicable
(d) Total amount spent for the Financial Year (a+b+c): INR 67.80 lakh

(**e) 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
INR 67,80,000	Nil	Nil	Not Applicable		

(f) Excess amount for set-off, if any

Sl. No.	Particular	Amount (in Rs.)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	INR 67,48,000
(ii)	Total amount spent for the Financial Year	INR 67,80,000
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	INR 32,000
(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)]	INR 32,000

7. Details of Unspent CSR amount for the preceding three financial years: Not Applicable

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

9. 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 Protium Finance Limited

Sd/-
Peeyush Misra
Chairperson of Board
Managing Director & CEO
DIN: 08422699

Date: July 31, 2024
Place: Mumbai

Sd/-
Anuradha Rao
Chairperson of the CSR Committee during FY 2023-24
DIN: 07597195

Date: July 31, 2024
Place: Chennai

ANNEXURE VII - TO BOARD'S REPORT

MANAGEMENT DISCUSSION AND ANALYSIS

Protium Finance Limited (PFL) is a Systemically Important Non-Deposit taking NBFC and is classified as middle layer NBFC based on scale-based regulation. The Company has a diversified lending portfolio across various sectors including MSME Business Loans, Consumer Finance, Educational Institutional Finance, Machinery and Equipment Finance.

Protium has two wholly owned subsidiaries:

i. Protium Business Services Private Limited

ii. Shibui Technologies Private Limited

1. *Economic Overview*

India's Economic Performance:

India's economy demonstrated resilience and growth, expanding by 7.8 percent[(1)] in the fourth quarter of the fiscal year 2023-24, resulting in an annual growth rate of 8.2 percent[(1)]. The impressive growth rate in FY2023-24 outperformed the previous year's 7.0 percent[(1)] expansion. The estimated Q4 GDP for the current fiscal year stood at ₹47.24 lakh crore[(1)], compared to ₹43.84 lakh crore[(1)] recorded in the same quarter of the previous fiscal year 2022-23. India's overall GDP growth of 8.2 percent[(1)] was driven by the robust performance of the services sector and strong consumption, reinforcing India's position as one of the world's fastest-growing major economies.

Nominal GDP Projection:

India's nominal GDP for the fiscal year 2023-24 is projected to reach ₹295.36 lakh crore[(1)] (approximately $3.55 trillion), marking a significant growth rate of 9.6 percent compared to ₹269.50 lakh crore[(1)] (approximately $3.28 trillion) in 2021-22.

Role of NBFCs in India's Financial Ecosystem:

NBFCs have emerged as a crucial component of India's financial ecosystem over the past two decades. With exposure to both banking and capital markets, they have become an important source of credit for low-income households and businesses that lack collateral or sufficient credit profiles for bank credit. Through a vast network of branches, digitalization, and innovative solutions, NBFCs have expanded their presence among MSMEs and consumers, particularly in financing businesses, vehicles, housing, and gold.

Resilience and Revival of Indian NBFCs:

Indian NBFCs have shown resilience, bouncing back strongly after a period of sluggishness due to liquidity stress, the pandemic impact, and the failure of a few players. They have achieved higher capital levels, reasonable stability in delinquency accounts, and expanded balance sheets. Strengthened risk assessment frameworks, government support through debt moratoriums and liquidity enhancement measures, along with

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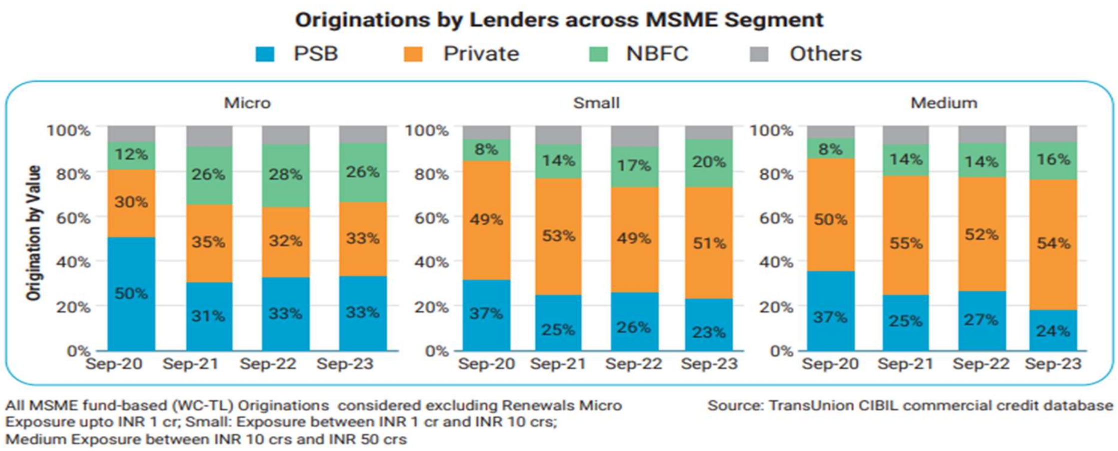
[1] Source of GDP related data: Ministry of Statistics & Programme Implementation report on Provisional Estimates of Annual GDP for 2023-24

broader economic revival, have aided their recovery and encouraged innovative strategies to capitalize on emerging opportunities.

NBFC's contribution to MSME credit has been growing over time, and the growth is more visible in the small and medium segment[2]



MSME Sector: Backbone of India's Development Story:

The MSME sector has been a major driver of India's development, contributing significantly to the country's rise as the world's fifth-largest economy. These enterprises employ millions of people and export billions of Make in India products, elevating their role in the Indian economy over the years. With the current transformation in global supply chain networks, MSMEs are set to play a pivotal role in achieving India's goal of becoming an economically self-reliant country under the 'Aatmanirbhar Bharat' initiative.

Formalization of the MSME Sector:

Regulatory policies and the creation of a public digital infrastructure are pivotal in increasing the formalization of the MSME sector in India. Reforms such as UDYAM registration, GST, e-invoicing, and GeM, along with schemes like ECLGS, PMMY, and CGTMSE, have been undertaken by the Government of India and the RBI to enhance formalization and improve the health of MSMEs. Additionally, the development of a digital stack for MSMEs, comprising Udyog Aadhaar Memorandum (UAM), Account Aggregator (AA), and Open Credit Enablement Network (OCEN), is expected to reduce sourcing costs and improve loan sanction turnaround time.

NBFCs: Driving Credit to Unbanked Pockets:

NBFCs have been instrumental in channeling credit to the MSME sector, especially in the vast unbanked regions of the country. With an extensive distribution network and adoption of digital processes, technology-driven data analytics, and unconventional credit underwriting practices, NBFCs have effectively catered to the needs of small businesses. They have introduced personalized products based on the risk profiles and demands of different MSME segments and have forged partnerships with fintech players, banks, and alternative lenders to

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[2] Source: MSME Pulse report by Transunion CIBIL and SIDBI

extend credit and bundled products for businesses. While banks continue to dominate term loan provisions, NBFCs have taken the lead in providing unsecured loans to the sector.

2. ***Company Overview***

3. ***We have witnessed significant growth in recent years, not only in numbers but also in our product offerings. Our tailor-made and flexible financial products cater to the right people at the right time. Protium, born during the COVID-19 period, enjoys the advantage of an insignificant pre-COVID portfolio. Demonstrating our commitment to operational excellence, engineering principles are ingrained extensively across all facets and processes of lending within Protium. Furthermore, our strength is further fortified by a seasoned and accomplished leadership team, possessing profound expertise in the specific segments we serve.***

Currently, the Company's physical presence spans over 85 branches in 65+ cities across 17+ states. The Company focuses broadly on following categories:

(i) SME Lending,
a. Loan against property
b. Unsecured business loan
(ii) Machinery and Equipment Finance,
(iii) Educational Institutional Finance,
(iv) Consumer Lending

The Company has continued to focus on diversifying its products and expanded its distribution while augmenting its digital infrastructure and offerings to effectively deliver credit solutions to its market.

The Company recorded 37% of growth in Loans and Advances. Whereas loan disbursement showed 45% growth during the year. The Company posted total income and net profit of INR 728.96 Crores and INR 115.27 Crores, respectively, for the financial year ended March 31, 2024, as against INR 419.79 Crores and INR 63.13 Crores respectively, in the previous financial year. The total income and profit before tax has increased by 74% and 83% respectively for the Financial Year ended as on March 31, 2024, compared to previous financial on standalone basis.

The Company's business model continues to generate healthy pre-impairment operating profits enabling it to withstand higher credit costs in times of stress. The capital-to-risk weighted asset ratio (CRAR) is 57.86% as on 31 March 2024.

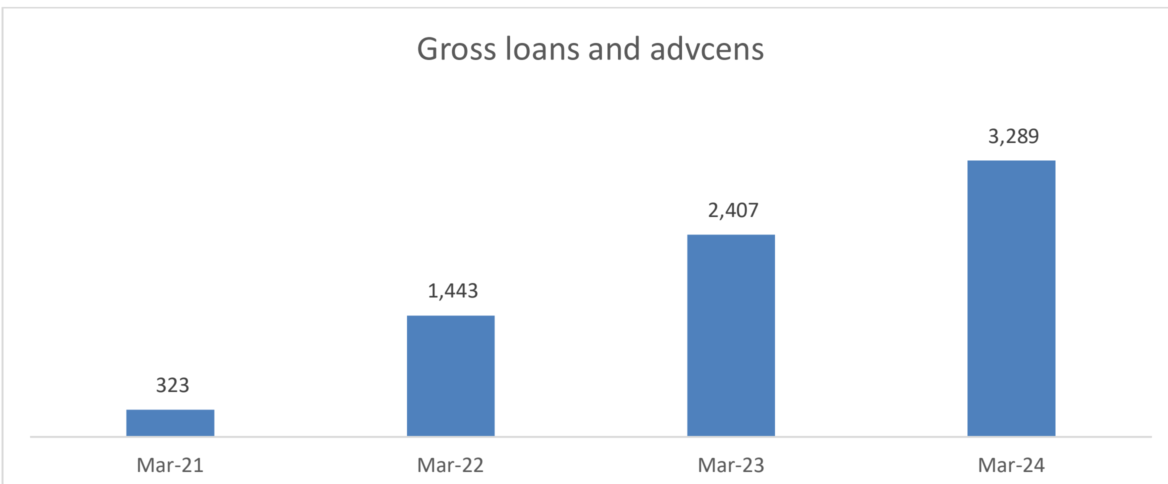
The Company also undertakes lending under co-lending model with banks. During FY24, we have entered into Co-lending partnerships for most of our products, which reiterates the confidence of our lending partners in our business model. Further, the Company has also assigned the pool of certain loans by way of direct assignment transaction during the year. The total principal outstanding of the loans transferred through assignment during the year was 389.17 Crores in FY2023-24 against 340.13 Crores in previous year. During the year ended March 31, 2024, the Company has transferred loans amounting to Rs. 1269.80 Crores through co-lending arrangements to the respective participating banks.

The performance highlights for FY2024 are given below:

The Company has maintained a healthy capital adequacy ratio over the years, well above the levels directed by the RBI. As of 31st March 2024, the overall capital adequacy ratio of the Company was 57.86%. The Company had total borrowings of INR 2681.63 Crores as on 31 March 2024. All the Company's borrowings are collateralized borrowings (secured against a pool of loan assets) except FD/OD facilities.

Key Parameters:

- Customers base was at **5.36 Lakhs** as on 31 March 2024
- Total income increased by **74%**
- Profit before tax increased by **83%**
- Profit after tax increased by **83%**
- Total Assets increased by **78%**
- Gross NPA was at **1.65%** as on 31 March 2024
- Net NPA was at **0.91%** as on 31 March 2024
- Provision coverage ratio on NPA accounts was at **45.8%** and the Total provisions as a % of Gross NPA was **97.4%** as on 31 March 2024
- Leverage of the company is at **1.17** as on 31 March 2024
- **65%** of the Company's loan and advances are secured



Technology

Protium's steadfast dedication to technological innovation has enabled improved flexibility and process effectiveness. Technological innovation has always been a key part of Protium's journey, consistently leading to faster customer growth, enhanced customer satisfaction, and simplified back-office processes. The Company's digital capabilities have been crucial in ensuring smooth operations, supporting its people, fulfilling customer needs, and providing uninterrupted business continuity.

Risk Management

To cope with competitive business scenarios involving assets and liabilities, the Company, Protium, maintains a healthy balance between spreads, profitability, and long-term sustainability. Structured actions are taken to manage risks related to asset and liabilities maturity, including credit risk, interest rate risk, liquidity risk, and operational risk.

Protium's clear risk governance structure facilitates regular reviews and close supervision, ensuring a responsible business approach. Advanced risk management capabilities are strategically developed, covering risk management principles, policies, strategies, processes, and controls.

The Company remains well-prepared for continued growth while complying with RBI's scale-based regulation for NBFCs.

Credit risk: Credit risk is reduced by accurately evaluating borrowers' creditworthiness, using data science and technology capabilities to assess repayment ability, credit history, and relevant factors. Collateral is used to reduce credit risk for financial assets with longer durations.

Liquidity risk: Liquidity risk is carefully monitored, ensuring timely payment obligations and cost-effective management. Protium's strong liquidity management framework ensures adequate liquidity to meet debt service obligations and balance sheet expansion.

Interest rate risk: Interest rate risk is managed with sensitivity analysis on fixed and floating rate assets and liabilities with different maturity profiles. Various factors, such as maturities profile, pricing of borrowings, and macro-economic developments, affect changes in interest rates.

Operational risk: Operational risk, inherent in business activities, is efficiently managed through identification and definition of Key Risk Indicators (KRI)/Key Performance Indicators (KPI). Action plans are formulated based on observed trends, and root cause analysis guides corrective actions for internal processes, systems, and external events.

4. Asset Liability Management (ALM)

The Company employs a highly effective risk management system that comprehensively addresses the issues inter-alia, related to interest rate and liquidity risks. Business decisions are governed by a dynamic and integrated risk management process aligned with corporate strategy.

Asset Liability Management (ALM) is seamlessly integrated into the Company's financial management process. This strategic balance sheet management encompasses risks stemming from fluctuations in interest rates, exchange rates, and liquidity positions. Risks are assessed and the asset-liability portfolio is dynamically adjusted to effectively manage potential exposures.

The scope of ALM function can be described as follows:

1. Liquidity risk management
2. Interest Rate risk management
3. Funding and Capital Planning
4. Forecasting and analyzing 'What if scenario and preparation of contingency plans

5. Internal Control System

Internal financial control over financial reporting refers to the policies and procedures of a company that:

Ensure that the records are maintained in a reasonable manner, reflecting the transactions and dispositions of the company's assets accurately and fairly.

Provide reasonable assurance that transactions are recorded as required to allow preparation of financial statement in accordance with accounting principles, and that the company's receipts and expenditures are authorized by the management and director of the company.

Provide reasonable assurance about preventing or detecting unauthorized acquisition, use or disposition of the company's assets that could affect the financial statement significantly.

The Company has a strong policy framework for enforcing strict control over business processes and protecting all assets. The Company enhanced controls, revised policies, and improved technology systems to address identified control deficiencies. These actions ensure full compliance with laws and regulations, reliability in financial reporting, and effective management information.

The internal audit function audits key areas based on audit plans, approved by the Audit Committee after risk evaluation. Findings are reviewed by the Committee, leading to remedial actions across functional areas to improve the internal control framework. Our policies follow industry best practices and are periodically reviewed and strengthened to deal with emerging risks.

6. Human Resources

The Company values its people as its greatest assets. With a perfect blend of youth and experience, the organization's success is rooted in the capability, passion, and integrity of its people. As of March 31, 2024, the company employed 1774 individuals, a significant increase from 1308 on March 31, 2023. Notably, 79 female employees were onboarded through employee referrals in the past year. Women now constitute 10% of the people.

On behalf of the Board of Directors
For **Protium Finance Limited**

Sd/-
Peeyush Misra
Chairperson of Board
DIN: 08422699

Date: July 31, 2024
Place: Mumbai

KHANDELWAL JAIN & CO.
Website: www.kjco.net • E-mail: kjco@vsnl.com
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Members of
Protium Finance Limited
(Formerly known as 'Growth Source Financial Technologies Limited')

Report on the Audit of Consolidated Financial Statements

1. Opinion

We have audited the accompanying Consolidated Ind AS financial statements of **Protium Finance Limited ('Holding Company')** and its subsidiaries (the Company and its subsidiaries together referred to as '**the Group'**), which comprise the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Change in Equity, the Consolidated Statement of Cash Flows for the year then ended and notes to the Consolidated financial statements, including a summary of material accounting policy information and other explanatory information (hereinafter referred to as 'Consolidated Ind AS financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2021, as amended ('Ind AS') and other accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2024, the consolidated profit including other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements' 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 (ICAI) together with the ethical requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS financial statements.

3. Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matter to be communicated in our report.

In respect of **Protium Finance Limited (Holding Company) –**

Key Audit Matter	How our audit addressed the Key Audit Matter
Impairment of financial assets (expected credit loss) Ind AS 109 requires the Company to provide for impairment of its financial assets using the expected credit loss ('ECL') approach involving an estimation of probability of loss on the financial assets 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 loans and advances. In the process, a significant degree of judgement has been applied by the management in respect of following matters: • The Company has grouped its loan portfolio broadly, into Loan Against property, Business Loans, Digital Lending. Loans grouped under a particular category are assumed to represent a homogeneous pool thereby expected to demonstrate similar credit characteristics. • Estimation of losses in respect of those group of loans which had no / minimal defaults in the past.	Our audit procedures included. • Reviewing the Company's accounting policies for impairment of financial instruments and assessing compliances in terms of Ind AS 109. • Understanding and assessing the Company's processes and controls on measurement and recognition of impairment in the loan portfolio. • Assessing the assumptions used by the Company for grouping and staging of loan portfolio into various categories and default buckets and determining the probability-weighted default (PD) and loss-given default (LGD) rates. • Testing the operating effectiveness of the controls for staging of loans based on their past-due status. Test checking loans in Stage 1-3 to ascertain that they were allocated to the appropriate stage. We also reviewed a sample of stage 1 and Stage 2 loans to assess whether any loss indicators were present requiring them to be classified under stage 2 or 3.

Key Audit Matter	How our audit addressed the Key Audit Matter
• Staging of loans and estimation of behavioral life. • Estimation of expected loss from historical observation of Company and industry. The Company has developed model that derive key assumptions used within the provision calculation such as Probability of Default (PD) and Loss Given Default (LGD). The output of these model and estimate about LGD including other information is then applied to the Exposure at Default (EAD) for the provision calculation. Considering the significance of such provisions to the overall Consolidated financial statements and the degree of management's judgment involved in estimation of ECL, any error or misstatement in such estimate may give rise to a material misstatement of the Consolidated Ind AS financial statements or omission of any disclosure required by the standards. Therefore, it is considered as a key audit matter.	• Performed sample testing to ascertain the completeness and accuracy of the input data used for determining the PD rates and agreed the data with the underlying books of accounts and records. • Test checking the collateral security available for loans • Testing the arithmetical accuracy of computation of ECL provision performed by the Company in spreadsheets. • Assessing the disclosures included in the Ind AS financial statements with respect to such allowance / estimate in accordance with the requirements of Ind AS 109 and Ind AS 107.

<table>
<tr><th>Key Audit Matter</th><th>How our audit addressed the key Audit Matter</th></tr>
<tr><td>IT Systems and controls

The Company's financial accounting and reporting are highly dependent on the effective working of the operating system.

Due to extensive volumes and variety of transactions, the operating system needs to function, consistently and accurately, specifically with respect to following:

• Interest, Fee income and other charges on Loans

• Bifurcation of the Loan Portfolio based on maturity pattern

• Various reports generated, including the report for Asset Classification.

Our audit outcome is dependent on the effective functioning of such operating system.</td><td>We have carried out the following procedures to assess the effectiveness and adequacy of IT controls with respect to the size and nature of operations of the individual companies:

• We obtained an understanding of the Company's IT environment and key changes, if any, during the audit period that may be relevant to the audit.

• Our audit procedures included verifying, testing and reviewing operating effectiveness of the IT system by verifying the reports / returns and other financial and non-financial information generated from the system on a test check basis.

• We tested the system controls for system generated reports relevant to the audit by performing audit procedures to assess the operative effectiveness of the system controls.

• Reviewed System Audit report of external expert

We have also obtained management representations wherever considered necessary.</td></tr>
</table>

4. Information Other than the Consolidated Ind AS Financial Statements and Auditor's Report thereon

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in Holding Company's Annual report but does not include the Consolidated Ind AS financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

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

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

5. Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements

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

In preparing the Consolidated Ind AS financial statements, Management and the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group are also responsible for overseeing the Group's financial Reporting process.

6. Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

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

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

a) Identify and assess the risks of material misstatement of the Consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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 Act, we are also responsible for expressing our opinion on whether the Holding company and its subsidiary company which is a company incorporated in India has adequate internal financial controls system in place and the operating effectiveness of such controls.

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

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

e) Evaluate the overall presentation, structure and content of the Consolidated Ind AS financial statements, including the disclosures, and whether the Consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

f) Obtain sufficient appropriate audit evidence regarding the financial information of the entity within the Group to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entity included in the consolidated Ind AS financial statements of which we are not the independent auditors.

We communicate with those charged with governance of the Holding Company and such other entity included in the consolidated Ind AS financial statement of which we are not 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 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.

7. Report on Other Legal and Regulatory Requirements

a) With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the 'Order'/'CARO') issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us and based on the CARO report issued by auditor of subsidiary of the Company which is included in the consolidated financial statements of the Company, we report that there are no qualifications or adverse remarks in the CARO report of said subsidiary(ies).

b) As required by Section 143(3) of the Act, based on our audit we report that:

i) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the consolidated Ind AS financial statements.

ii) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept by the Company so far as it appears from our examination of those books.

iii) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

iv) In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act, read with Companies (India Accounting Standards) Rules, 2015 as amended.

v) On the basis of the written representations received from the directors of the Holding Company and Subsidiary Companies as on March 31, 2024 taken on record by the Board of Directors of the respective companies, none of the directors of the Group are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

vi) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in **Annexure A**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Group's internal financial controls over financial reporting.

vii) With respect to the matter to be included in the Auditor's Report under section 197(16) of the Act, as amended.
In our opinion and as per the information, explanations given to us, the Company has complied with the provisions of section 197 of the Act.

viii) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a) The Group has disclosed the impact of the pending litigations on its financial position in its Consolidated Ind AS financial statement (Refer Note 37 of the Consolidated Ind AS financial statement)

b) The Company has made required provision for material foreseeable losses (if any) under any law or accounting standards, on long term contracts including derivative contracts;

c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

d) The Group management has represented that to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person(s) or entity(ies) including foreign entities (intermediaries) with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (ultimate beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

e) The Group management has represented that to the best of its knowledge or belief, other than as disclosed in the notes to the accounts, no funds have been received by the Group to or in any other person(s) or entity(ies) including foreign entities (funding parties) with the understanding, whether recorded in writing or otherwise, that the Group shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

f) Based on the audit procedures considered reasonable and appropriate in the circumstances carried out by us, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) and (ii) of Rule 11(e) as provided under clause (d) and (e) above contain any material misstatements.

g) The Group has not declared or paid any dividend during the year and as such the compliance of section 123 of the Act has not been commented upon.

h) Based on our examination which included test checks, the group has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For KHANDELWAL JAIN & CO.
CHARTERED ACCOUNTANTS
ICAI Firm Registration No.: 105049W

Sd/-
PANKAJ JAIN
PARTNER
Membership No. 048850

Place – Mumbai
Date – April 30, 2024

UDIN – 24048850BKFXQL9151

KHANDELWAL JAIN & CO.
CHARTERED ACCOUNTANTS
Website: www.kjco.net • E-mail: kjco@vsnl.com

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Annexure A to the Independent Auditor's Report

(Referred to in paragraph 7(b)(vi) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **Protium Finance Limited**)

Report on the Internal Financial Controls with reference to Consolidated Ind AS financial statements of Protium Finance Limited ('the Company') under Clause (i) of Sub -section 3 of Section 143 of the Companies Act, 2013 ('the Act')

Opinion

We have audited the internal financial controls with reference to consolidated Ind AS financial statements of **Protium Finance Limited ('the Holding Company')** and its subsidiary companies incorporated in India (together referred to as **'the Group'**) as of March 31, 2024 in conjunction with our audit of the Consolidated Ind AS financial statements of the Group for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, the Company and its subsidiary companies incorporated in India generally has, in all material respects, an adequate internal financial controls with reference to consolidated Ind AS financial statements and such internal financial controls with reference to consolidated Ind AS financial statements were operating effectively as at March 31, 2024, based on the internal control with reference to consolidated Ind AS financial statements reporting criteria established by the respective Companies considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI).

Management's Responsibility for Internal Financial Controls

The management and Board of Directors of the Company and its subsidiary companies which is incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to consolidated Ind AS financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Group's internal financial controls with reference to consolidated Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated Ind AS financial statement and their operating effectiveness. Our audit of internal financial controls with reference to consolidated Ind AS financial statements included obtaining an understanding of internal financial controls with reference to consolidated Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of risk of material misstatement of the consolidated Ind AS 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 Group's internal financial controls with reference to consolidated Ind AS financial statements of the Company and its subsidiary companies which is incorporated in India.

Meaning of internal financial controls with reference to consolidated Ind AS financial statements

A group's internal financial control with reference to consolidated Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A group's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the group; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated Ind AS financial statement in accordance with generally accepted accounting principles, and that receipts and expenditures of the group are being made only in accordance with authorizations of management and directors of the respective companies; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the group's assets that could have a material effect on the consolidated Ind AS financial statements.

Inherent Limitations of internal financial controls with reference to consolidated Ind AS financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For KHANDELWAL JAIN & CO.
CHARTERED ACCOUNTANTS
ICAI Firm Registration No.: 105049W

Sd/-
PANKAJ JAIN
PARTNER
Membership No. 048850

Place – Mumbai
Date – April 30, 2024

Protium Finance Limited
(Formerly known as Growth Source Financial Technologies Limited)

Consolidated financial statements
Balance Sheet as at March 31, 2024

(₹ in lakhs)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
Assets			
Financial Assets			
Cash and Cash Equivalents	5	90,023.10	31,900.56
Bank balances other than cash and cash equivalents	6	42,454.10	1,764.78
Receivables:			
Trade Receivables	7	992.23	317.55
Loans	8	3,23,371.37	2,36,905.02
Investments	9	30,002.64	3,876.98
Other Financial assets	10	23,898.32	9,409.17
Total Financial Assets		**5,10,741.76**	**2,84,174.06**
Non-Financial Assets			
Deferred tax assets (net)		6.57	3.72
Current tax assets (Net)		1,418.58	1,343.07
Property Plant and Equipment	11	3,093.13	1,487.30
Capital work-in-progress	11	-	389.59
Intangible Assets under development	12	111.06	277.93
Intangible Assets	12	3,271.26	2,973.31
Other Non Financial assets	13	2,052.87	1,408.14
Total Non Financial Assets		**9,953.47**	**7,883.06**
Total Assets		**5,20,695.23**	**2,92,057.12**
Liabilities			
Financial Liabilities			
Derivative financial instrument	14	35.04	-
Payables:			
Trade Payables	15		
(i) total outstanding dues of micro enterprises and small enterprises		916.66	246.16
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,481.49	146.21
Debt Securities	16	50,855.32	14,125.35
Borrowings (Other than Debt Securities)	17	2,17,307.50	1,04,124.02
Other financial liabilities	18	14,209.43	30,635.51
Total Financial Liabilities		**2,84,805.44**	**1,49,277.25**
Non Financial Liabilities			
Provisions	19	333.59	166.95
Current tax liabilities(net)		-	-
Deferred Tax Liabilities (net)	20	3,918.98	1,252.23
Other non-financial liablities	21	3,231.21	8,782.52
Total Non Financial Liabilities		**7,483.78**	**10,201.70**
Equity			
Equity Share Capital	22	14,514.23	9,467.78
Other Equity	23	2,13,891.78	1,23,110.39
		2,28,406.01	**1,32,578.17**
		-	-
Total Liabilities and equity		**5,20,695.23**	**2,92,057.12**
Material accounting policies	1-4		
See accopanying notes forming part of the Consolidated financial statement	5-61		

As per our report of even date attached
For Khandelwal Jain & Co
Chartered Accountants
ICAI Firm Registration Number : 105049W

For and on behalf of the Board of Directors of
Protium Finance Limited

Sd/-
Pankaj Jain
Partner
Membership No.: 048850

Sd/-
Peeyush Misra
Director
DIN: 08422699

Sd/-
Parveen Kumar Gupta
Independent Director
DIN: 02895343

Sd/-
Amit Gupta
Chief Financial Officer

Sd/-
Anshu Mohta
Company Secretary
Membership No.: A18287

Place: Mumbai
Date:30 April,2024

Place: Mumbai
Date:30 April,2024

Protium Finance Limited
(Formerly known as Growth Source Financial Technologies Limited)

Consolidated financial statements
Statement of Profit and Loss for the year ended March 31, 2024

(₹ in lakhs)

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from operations			
Interest Income	24	56,904.70	34,346.43
Fees and commission income	25	5,150.47	2,964.72
Net gain/(loss) on fair value changes	26	64.14	1.08
Net gain on derecognition of financial instruments under amortised cost category	27	10,643.26	6,336.79
Total Revenue from operations		**72,762.57**	**43,649.02**
Other Income	28	2,988.97	330.83
Total income		**75,751.54**	**43,979.85**
Expenses			
Finance Cost	29	18,997.70	7,125.67
Impairment on financial instruments	30	6,572.75	4,041.88
Employee Benefits Expenses	31	21,369.46	15,005.27
Depreciation and amortisation expenses	32	2,392.83	1,383.54
Other expenses	33	10,568.19	7,710.77
Total Expenses		**59,900.93**	**35,267.13**
Profit before Tax		**15,850.61**	**8,712.72**
Tax expenses:			
Current tax		1,493.64	1,045.29
Deferred tax		2,681.84	1,251.55
Profit for the year		**11,675.13**	**6,415.88**
Other Comprehensive Income (OCI)			
(i) Items that will not be reclassified to profit or loss			
- Remeasurement gain / (loss) on defined benefit plans		(36.18)	(33.58)
(ii) Income Tax impact thereon		9.11	8.45
Subtotal (a)		**(27.07)**	**(25.13)**
(i) Items that will be reclassified to profit or loss			
- The effective portion of of gain / (loss) on hedging instruments		(35.04)	-
(ii) Income Tax impact thereon		8.82	-
Subtotal (b)		**(26.22)**	**-**
Other Comprehensive Income (a + b)		**(53.29)**	**(25.13)**
Total Comprehensive income for the year		**11,621.84**	**6,390.75**
Earnings per equity share [nominal value of share: ₹10 (Previous year: ₹10)			-
Basic (₹)	35	**10.66**	**10.87**
Diluted (₹)	35	**10.66**	**10.87**
Material accounting policies	1-4		
See accopanying notes forming part of the Consolidated financial statement	5-61		

As per our report of even date attached
For Khandelwal Jain & Co
Chartered Accountants
ICAI Firm Registration Number : 105049W

For and on behalf of the Board of Directors of
Protium Finance Limited

Sd/-
Pankaj Jain
Partner
Membership No.: 048850

Sd/-
Peeyush Misra
Director
DIN: 08422699

Sd/-
Parveen Kumar Gupta
Independent Director
DIN: 02895343

Sd/-
Amit Gupta
Chief Financial Officer

Sd/-
Anshu Mohta
Company Secretary
Membership No.: A18287

Place: Mumbai
Date:30 April,2024

Place: Mumbai
Date:30 April,2024

Protium Finance Limited
(Formerly known as Growth Source Financial Technologies Limited)

Consolidated financial statements
Statement of Cash Flows for the year ended March 31,2024

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Cash flows from operating activities		
Profit before Tax	**15,850.61**	**8,712.72**
Adjustments:		
Depreciation and amortization	2,392.83	1,383.54
Loss on sale of property, plant and equipment	46.50	0.55
Impairment on financial instrument	2,006.53	2,247.91
Net gain on fair value changes	(156.74)	-
Net gain/(loss) on derecognition of financial instrument under amortised cost category	4,566.22	1,793.97
Share based payment	439.66	-
Finance cost	1,367.37	192.09
Operating cash flows before working capital changes	**26,512.98**	**14,330.78**
Changes in working capital		
(Decrease)/Increase Provision	113.54	**70.29**
(Decrease)/Increase Lease liability	(784.58)	**(374.14)**
(Increase)/Decrease in loans	(92,955.84)	(98,112.93)
(Increase)/Decrease in trade receivables	(688.75)	210.96
(Increase)/Decrease in other financial assets	(14,531.36)	(8,899.64)
(Increase)/Decrease in other non-financial assets	(672.59)	(1,280.62)
(Decrease)/Increase in Trade payables	2,005.78	176.16
(Decrease)/Increase in Other financial liabilities	(17,699.39)	17,293.59
(Decrease)/Increase in Other non-financial liabilities	(5,534.39)	2,613.24
Cash generated from operations	**(1,04,234.60)**	**(73,972.31)**
Income taxes paid	(1,569.15)	(1,505.00)
Net cash flow (used in) / generated from operating activities (A)	**(1,05,803.75)**	**(75,477.31)**
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,048.99)	(1,075.47)
Disposal of fixed assets	78.56	-
Purchase of intangible assets	(1,313.40)	(1,576.32)
Capital work-in-progress and intangibles under development	556.46	47.59
Purchase of investments[2]	(25,969.38)	(332.40)
Proceeds from maturity of /(Investments in) fixed deposits with banks	(40,689.32)	(1,392.09)
Net cash (used in) / generated from investing activities (B)	**(68,386.07)**	**(4,328.69)**
Cash flows from financing activities		
Proceeds from issuance of compulsory convertible Preference Shares	-	1,109.82
Proceeds from debt securities	69,398.38	5,000.00
Repayment of debt securities	(33,382.57)	-
Proceeds from borrowings (other than debt securities)	1,72,045.65	1,13,574.13
Repayment of borrowings (other than debt securities)	(59,515.38)	(38,454.15)
Security Premium on issuance of equity share capital	83,771.13	-
Share issuance expenses	(4.85)	(2.40)
Net cash (used in) / generated from financing activities (C)	**2,32,312.36**	**81,227.39**
Net (decrease) / increase in cash and cash equivalents (A + B + C)	**58,122.55**	**1,421.40**
Cash and cash equivalents at the beginning of the year	31,900.56	30,479.16
Cash and cash equivalents at the end of the year	**90,023.10**	**31,900.56**

Protium Finance Limited
(Formerly known as Growth Source Financial Technologies Limited)

Consolidated financial statements
Statement of Cash Flows for the year ended March 31,2024

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Reconciliation of Cash and cash equivalents with the balance sheet		
Cash on hand	-	-
Balances with banks		
- in current accounts	31,316.85	11,416.23
Deposits with original maturity of less than three months	58,721.28	20,500.00
Cash and cash equivalents	**90,038.13**	**31,916.23**
Impairment loss allowance	(15.03)	(15.66)
Cash and cash equivalents in cash flow statement	**90,023.10**	**31,900.56**

1) Net cash generated from operating activity is determined after adjusting the following

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest received	55,537.19	31,598.80
Dividend received	-	-
Interest paid	18,575.59	7,560.09

2) Purchase of investment is after adjustment of proceeds from sale/redemption of investment

As per our report of even date attached
For Khandelwal Jain & Co
Chartered Accountants
ICAI Firm Registration Number : 105049W

For and on behalf of the Board of Directors of
Protium Finance Limited

Sd/-
Pankaj Jain
Partner
Membership No.: 048850

Sd/-
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Director
DIN: 08422699

Sd/-
Parveen Kumar Gupta
Independent Director
DIN: 02895343

Sd/-
Amit Gupta
Chief Financial Officer

Sd/-
Anshu Mohta
Company Secretary
Membership No.: A18287

Place: Mumbai
Date:30 April,2024

Place: Mumbai
Date:30 April,2024

Protium Finance Limited
(Formerly known as Growth Source Financial Technologies Limited)

Consolidated financial statements
Statement of Changes in Equity for the year ended March 31, 2024

A. Equity share capital

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance as at the beginning of the year	9,467.78	9,467.78
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	9,467.78	9,467.78
Changes in equity share capital during the year	5,046.45	-
Balance as at the end of the year	**14,514.23**	**9,467.78**

B. Preference share capital

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance as at the beginning of the year	-	5,027.18
Changes in preference share capital during the year	-	(5,027.18)
Balance as at the end of the year	-	-

C. Other equity

(₹ in lakhs)

Particulars	Reserves and Surplus				Other Comprehensive Income	
	Securities Premium	Statutory Reserve	Share based payment	Retained earnings	Cash flow hedge reserve	Total
Balance as at April 01, 2022	**1,18,011.21**	**287.44**	**-**	**(475.62)**	**-**	**1,17,823.02**
Profit for the year	-	-	-	6,415.88	-	6,415.88
Other comprehensive income	-	-	-	(25.13)	-	(25.13)
Total Comprehensive Income	**-**	**-**	**-**	**6,390.75**	**-**	**6,390.75**
Issue of equity instruments	1,042.97	-	-	-	-	1,042.97
Share issue expenses	(2.40)	-	-	-	-	(2.40)
Transfer to statutory reserve	-	1,262.63	-	(1,262.63)	-	-
CCPS Conversion	-	-	-	(2,143.95)	-	(2,143.95)
Balance as at March 31, 2023	**1,19,051.78**	**1,550.06**	**-**	**2,508.56**	**-**	**1,23,110.40**
Profit for the year	-	-	-	11,675.13	-	11,675.13
Other comprehensive income	-	-	-	(27.07)	(26.22)	(53.29)
Total Comprehensive Income	**-**	**-**	**-**	**11,648.13**	**(26.22)**	**11,621.84**
Issue of equity instruments	78,724.66	-	-	-	-	78,724.66
Share issue expenses	(4.85)	-	-	-	-	(4.85)
Transfer to statutory reserve	-	2,305.43	-	(2,305.43)	-	-
Share based payment during the year	-	-	439.66	-	-	439.66
Balance as at March 31, 2024	**1,97,771.59**	**3,855.49**	**439.66**	**11,851.26**	**(26.22)**	**2,13,891.78**

As per our report of even date attached
For Khandelwal Jain & Co
Chartered Accountants
ICAI Firm Registration Number : 105049W

For and on behalf of the Board of Directors of
Protium Finance Limited

Sd/-
Pankaj Jain
Partner
Membership No.: 048850

Sd/-
Peeyush Misra
Director
DIN: 08422699

Sd/-
Parveen Kumar Gupta
Independent Director
DIN: 02895343

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Amit Gupta
Chief Financial Officer

Sd/-
Anshu Mohta
Company Secretary
Membership No.: A18287

Place: Mumbai
Date:30 April,2024

Place: Mumbai
Date:30 April,2024

Protium Finance Limited
(Formerly known as Growth Source Financial Technologies Limited)

Notes to the Consolidated Financial Statements

1. Corporate information:
Protium Finance Limited (the "Company") was incorporated on March 29, 2019 vide CIN no U65999MH2019PLC323293 as Growth Source Financial Technologies Private Limited . The Company was registered as Non- Banking Financial Company without accepting or holding public deposits, as defined under Section 45-IA of the Reserve Bank of India Act, 1934. The Company together with its subsidiaries - Protium Business Services Private Limited and Shibui Technologies Private Limited (jointly referred as "the Group") is primarily engaged in lending activities. The Group is primarily engaged in the business of lending secured and unsecured loans in SME, MSME and Consumer Finance Segments. The registered office of the parent Company is located at Nirlon Knowledge Park (NKP) B2, 7th Floor, Pahadi, Village, Off. Western Express Highway, Goregaon (E), Mumbai, Mumbai City, Maharashtra, India, 400063. Under the scale based regulation the company is categorized as middle layer (NBFC-ML).

The audited financial statements were subject to review and recommendations of Audit committee and approval of Board of Directors. On April 30, 2024, 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 consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules 2015, as amended from time to time. The Financial Statements have been prepared under the historical cost convention, as modified by the application of fair value measurements required or allowed by relevant accounting standards. Accounting policies have been consistently applied to all periods presented, unless otherwise stated.

The consolidated financial statements have been prepared on a going concern basis, as the Management is satisfied that group shall be able to continue its business for future and no material uncertainity exists that may cast significant doubt on the going concern assumption . In making this assessment , the management has considered a wide range of information relating to present and future conditions, including the future projections, cash flows, and capital resources.

2.1. Statement of compliances
The consolidated financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) issued by Ministry of Corporate Affairs in exercise of the powers conferred by section 133 read with sub-section (1) of section 210A of the Companies Act, 2013. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied along with compliance with other statutory promulgations which require a different treatment.

2.2. Presentation of Financial Statements
The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Division III to Schedule III to the Act applicable for Non Banking Finance Companies ("NBFC"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Division III to Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified accounting Standards.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:
• the normal course of business
• the event of default
• the event of insolvency of bankruptcy of the Group/ or its counterparties

2.3. Basis of consolidation
The Group consolidates an entity when it controls it. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Consolidation of the entity begins when the Group obtains control over the entity and ceases when the Group loses control of the entity.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:
- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiary to bring their accounting policies in line with the Group's accounting policies. All intra-group assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2.4. Functional and presentation currency
These consolidated financial statements are presented in Indian Rupees ('INR' or '₹') which is also the Group's functional currency.

3. Material accounting policy information

3.1 Interest income:
The Group calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Group calculates interest income by applying the EIR to the amortised cost (net of expected credit loss) of the financial asset. If the financial assets cures and is no longer credit-impaired, the Group reverts to calculating interest income on a gross basis.

The EIR is the rate that exactly discounts estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount. The future cash flows are estimated taking into account all the contractual terms of the instrument.

The calculation of the EIR includes all fees paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets measured at fair value through profit and loss ("FVTPL"), transaction costs are recognised in the statement of profit and loss at initial recognition.

Interest income/expenses is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets/liabilities (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets, interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses)
Overdue interest and other ancilliary charges in respect of loans are recognised upon realisation.

3.2 Recognition of Other Income:

Revenue generated from the business transactions (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration to be received or receivable by the Group. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Group recognises revenue from contracts with customers based on a five step model as set out in Ind 115:
Step 1: Identify contract(s) with a customer;
Step 2: Identify performance obligations in the contract(s);
Step 3: Determine the transaction price;
Step 4: Allocate the transaction price to the performance obligations in the contract(s);
Step 5: Recognise revenue when (or as) the Group satisfies a performance obligation.

3.3 Fees and Commission Income:

Fees and commission income includes Fees and commission charges other than those that are an integral part of EIR. The group recognises the other fee and commission income under the terms and conditions of the relevant contract/agreement.

3.4 Income on derecognised (assigned) loans

Gains arising out of direct assignment transactions comprises of the difference between interest on the loan portfolio and the applicable rate at which the direct assignment is entered into with the assignee, also known as the right of excess interest spread (EIS). The future EIS basis the scheduled cash flow on execution of the transaction, discounted at the applicable rate entered into with the assignee is recorded upfront in the statement of profit and loss.

3.5 Net gain on fair value changes

The Group designates certain financial assets for subsequent measurement at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVTOCI). The Group recognises gains/loss on fair value change of financial assets measured at FVTPL and realised gains on derecognition of financial asset measured at FVTPL and FVTOCI on net basis.

3.6 Expenditures
(i) Finance costs
Borrowing costs on financial liabilities are recognised using the EIR [refer note no. 3.1].
(ii) Fees and commission expense
Fees and commission expenses which are not directly linked to the sourcing of financial assets, such as commission/incentive incurred on value added services and products distribution, recovery charges, fees paid under guarantee scheme and fees payable for management of portfolio etc., are recognised in the Statement of Profit and Loss on an accrual basis.
(iii) Other expenses
Expenses are recognised on accrual basis net of the goods and services tax, except where credit for the input tax is not statutorily permitted.

3.7 Financial Instruments

3.7.1 Date of recognition:

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are measured at amortised cost, unless otherwise specified. All financial instruments are recognised on the date when the Group becomes party to the contractual provisions of the financial instruments along with the certainty of ultimate collection in case of financial assets. For tradable securities, the Group recognises the financial instruments on settlement date.

3.7.2 Initial measurement of financial instruments:
Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3.7.3 Day 1 profit and loss:

When the transaction price of the financial 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 Group recognises the difference between the transaction price and fair value in net gain / loss 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 profit or loss when the inputs become observable, or when the instrument is derecognised.

3.7.4 Classification & measurement categories of financial assets and liabilities:

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The Group's business model determines whether the cash flows will be generated by collecting contractual cash flows, selling financial assets or by both.

The Group's business model is assessed at portfolio level and not at instrument level, and is based on observable factors such as:

(i) How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel;

(ii) The risks that affect the performance of the business model and, in particular, the way those risks are managed;
(iii) The expected frequency, value and timing of sales are also important aspects of the Group's assessment.The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account.

Solely payment of principal and interest (SPPI) test Subsequent to the assessment to the relevant business model of the financial assets, the Group assesses the contractual terms of financial assets to identify whether the cash flow realised are towards solely payment of principal and interest.

Principal for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset. The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk.

Initial measurement of financial instruments The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value.

The Group classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (**SPPI**) on the principal amount outstanding. The changes in carrying value of financial assets is recognised in profit and loss account.

Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The changes in fair value of financial assets is recognised in Other Comprehensive Income.

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

A financial asset which is not classified in any of the above categories are measured at FVTPL. The Group measures all financial assets classified as FVTPL at fair value at each reporting date. The changes in fair value of financial assets is recognised in Profit and loss account.

3.8 Financial assets and liabilities:

3.8.1 Amortized cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial instruments other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

3.8.2 Financial liabilities:

All financial liabilities are measured at amortised cost except loan commitments, financial guarantees, and derivative financial liabilities.

3.8.3 Financial assets and financial liabilities at fair value through profit or loss:

Financial assets and financial liabilities in this category are those that are not held for trading and have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under Ind AS 109. Management only designates an instrument at FVTPL upon initial recognition when one of the following criteria are met. Such designation is determined on an instrument-by-instrument basis.

· The designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on them on a different basis; or

· The liabilities are part of a group of financial liabilities, which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy; or

· The liabilities containing one or more embedded derivatives, unless they do not significantly modify the cash flows that would otherwise be required by the contract, or it is clear with little or no analysis when a similar instrument is first considered that separation of the embedded derivative(s) is prohibited.

Financial assets and financial liabilities at FVTPL are recorded in the balance sheet at fair value. Changes in fair value are recorded in profit and loss with the exception of movements in fair value of liabilities designated at FVTPL due to changes in the Group's own credit risk. Such changes in fair value are recorded in the credit reserve through OCI and do not get recycled to the profit or loss. Interest earned or incurred on instruments designated at FVTPL is accrued in interest income or finance cost, respectively, using the EIR, taking into account any discount/ premium and qualifying transaction costs being an integral part of instrument. Interest earned on assets mandatorily required to be measured at FVTPL is recorded using contractual interest rate.

3.8.4 Loan commitment

Undrawn loan commitments are commitments under which ,over the duration of the commitment, the Group is required to provide a loan with pre-specified terms to the customer.Undrawn loan commitments are in the scope of the ECL requirements.

3.8.5 Financial liabilities and equity instruments

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

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

3.9 Reclassification of financial assets and liabilities:

The Group changes classification of its financial assets only on account of changes in its business model for managing those financial assets. Such reclassifications are given prospective impact as per the principles laid down in Ind AS 109 'Financial Instruments'.

3.10 Derivative financial instruments

The Group enters into derivative financial instruments to manage its exposure to interest rate risk and foreign exchange rate risk. Derivatives held by the Group are Cross Currency Interest Rate Swaps (CCIRS). Derivative contracts are initially recognised at fair value on the date of entering into contract and are subsequently remeasured to their fair value at each Balance Sheet date. The resulting gains/losses are recognised in the Statement of Profit and Loss immediately unless the derivative is designated and is effective as a hedging instrument. For hedging instrument, the timing of the recognition in the Statement of Profit and Loss depends on the nature of the hedge relationship. The Group designates its CCIRS derivatives as cash flow hedges of a recognised liability. The Group recognises derivatives with a positive fair value as a financial asset and derivatives with a negative fair value as a financial liability.

Hedge accounting
The Group makes use of derivative instruments to manage exposures to interest rate risk and foreign currency risk. In order to manage particular risks, the Group applies hedge accounting for transactions that meet specified criteria.
At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Group would assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated

Cash flow hedge
Hedges that meet the criteria for hedge accounting and qualify as cash flow hedges are accounted as follows:
A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability and could affect profit or loss.
For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately as finance cost in the Statement of Profit and Loss.
When the hedged cash flow affects the Statement of Profit and Loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the Statement of Profit and Loss.

3.11 Derecognition of financial Instruments:

3.11.1 Derecognition of financial asset

A financial asset (or, where applicable a part of a financial asset or a part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Group also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Group has transferred the financial asset if, and only if, either
· The Group has transferred the rights to receive cash flows from the financial asset or
· It retains the contractual rights to receive the cash flows of the financial asset, but assumed a contractual obligation to pay the cash flows in full without material delay to third party under pass through arrangement.

A transfer only qualifies for derecognition if either:
· The Group has transferred substantially all the risks and rewards of the asset or
· The Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

The Group 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.

3.11.2 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, including modified contractual cash flow recognised as new financial liability, is recognised in statement of profit and loss.

3.12 Impairment of financial assets:
The Group records allowance for expected credit losses for all financial assets, other than financial assets held at FVTPL, together with loan commitment and financial guarantee contracts. Equity instruments are not subject to impairment.

Simplified approach

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime expected credit loss (ECL) at each reporting date, right from its initial recognition. The Group uses a provision matrix to determine impairment loss allowance on portfolio of its receivables. The provision matrix is based on its historically observed default rates over the expected life of the receivables. However, if receivables contain a significant financing component, the Group chooses as its accounting policy to measure the loss allowance by applying general approach to measure ECL.

General approach

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk (SICR) since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses (12m ECL). The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of an evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12m ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The measurement of ECL is a function of the probability of default (PD), loss given default (LGD) (i.e. the magnitude of the loss if there is a default) and the exposure at default (EAD). The assessment of the PD and LGD is based on historical data adjusted by forward-looking information. As for the EAD, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for loan commitments and financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the customer, and other relevant forward-looking information.

Group categories its financial assets as follows:

Stage 1 assets:

Stage 1 assets includes financial instruments that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date. For these assets, 12-month ECL (resulting from default events possible within 12 months from reporting date) are recognised.

Stage 2 assets:

Stage 2 Assets includes financial instruments that have had a significant increase in credit risk since initial recognition. For these assets lifetime ECL (resulting from default events possible within 12 months from reporting date) are recognised.

Stage 3 assets:

Stage 3 Assets are considered credit-impaired and the Group recognises the lifetime ECL for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.

For financial assets, ECL is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate. The Group recognises an impairment loss or reversal of impairment loss in the profit and loss statement with a corresponding adjustment to their carrying amount through a loss allowance account.

The Group does not limit its exposure to credit losses to the contractual notice period, but, instead calculates ECL over a period that reflects the Group's expectations of the customer behaviour, its likelihood of default and the Group's future risk mitigation procedures, which could include reducing or cancelling the facilities.

3.13 Collateral valuation:

To mitigate its credit risks on financial assets, the Group seeks to use collateral, where possible. The collateral comes in various forms, such as cash, securities, power of attorney, credit enhancements such as netting agreements. Collateral, unless repossessed, is not recorded on the Group's balance sheet. However, the fair value of collateral affects the calculation of ECLs. It is generally assessed, at a minimum, at inception and re-assessed on a quarterly basis/annual basis.

To the extent possible, the group uses active market data for valuing financial assets held as collateral.

3.14 Write-offs:

Loans and debt securities are written off when the Group has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). In such cases, the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event. The Group may apply enforcement activities to financial assets written off. Recoveries resulting from the Group's enforcement activities result in impairment gains and are credited to statement of profit and loss.

3.15 Forborne and modified loan:

The Group sometimes makes concessions or modifications to the original terms of loans as a response to the borrower's financial difficulties, rather than taking possession or to otherwise enforce collection of collateral. The Group considers a loan forborne when such concessions or modifications are provided as a result of the borrower's present or expected financial difficulties and the Group would not have agreed to them if the borrower had been financially healthy. Indicators of financial difficulties include defaults on covenants, or significant concerns raised by the Credit Risk Department. Forbearance may involve extending the payment arrangements and the agreement of new loan conditions. Once the terms have been renegotiated, any impairment is measured using the original EIR as calculated before the modification of terms. It is the Group's policy to monitor forborne loans to help ensure that future payments continue to be likely to occur. Derecognition decisions and classification between Stage 2 and Stage 3 are determined on a case-by-case basis. If these procedures identify a loss in relation to a loan, it is disclosed and managed as an impaired Stage 3 forborne asset, until it is collected or written off.

3.16 Determination of fair value:

The Group measures financial instruments, such as, derivatives at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either;

· In the principal market for the asset or liability, or
· 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 Group.

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 Group 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. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Fair value measurement under Ind AS 113 are categorised into level 1 , 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety ,which are as follows :

Level 1 Inputs:

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

Level 2 Inputs:

Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data for substantially the full term of the asset or liability.

Level 3 Inputs:

Those that include one or more unobservable input that is significant to the measurement as whole.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Group periodically reviews its valuation techniques including the adopted methodologies and model calibrations.

Therefore, the Group applies various techniques to estimate the credit risk associated with its financial instruments measured at fair value, which include a portfolio-based approach that estimates the expected net exposure per counterparty over the full lifetime of the individual assets, in order to reflect the credit risk of the individual counterparties for non-collateralised financial instruments.

The Group evaluates the levelling at each reporting period on an instrument-by-instrument basis and reclassifies instruments when necessary based on the facts at the end of the reporting period.

3.17 Retirement and other employee benefits

3.17.1 Short term employee benefit

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include short term compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised as an expense during the period. Benefits such as salaries and wages, etc. and the expected cost of the bonus/ ex-gratia are recognised in the period in which the employee renders the related service.

3.17.2 Post-employment employee benefits

(i) Defined benefit plans

The Group provides for the gratuity, a defined benefit retirement plan covering all employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated years mentioned under 'The Payment of Gratuity Act, 1972'. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation, carried out by an independent actuary at each Balance Sheet date, using the Projected Unit Credit Method, which recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

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.

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 or asset. The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income. 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 at each reporting date.

Defined benefit plans may be unfunded, or they may be wholly or partly funded by contributions by the Group, into an entity, or fund from which the employee benefits are paid. The Group is liable to make differential payment for any shortfall between defined benefit payments and the contribution made by the Group.

(ii) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The Group contributes into following schemes under defined contribution plans:

Superannuation

Defined contribution to superannuation fund is made as per the scheme of the Group.

Provident fund

Each eligible employee and the Group make contribution at a percentage of the basic salary specified under the Employee Provident Funds and Miscellaneous Provisions Act, 1952. The Group recognises contributions payable to the Provident fund scheme as an expenditure when the employees render the related service. The Group has no further obligations under the plan beyond its periodic contributions.

Employees state insurance

The Group contributes to Employees State Insurance Scheme and recognises such contribution as an expense in the Statement of Profit and Loss in the period when services are rendered by the employees.

(iii) Compensated absences

Privilege leave entitlements are recognised as a liability as per the rules of the Group. The liability for accumulated leaves which can be availed and/or encashed at any time during the tenure of employment is recognised using the projected unit credit method at the actuarially determined value by an appointed actuary. The liability for accumulated leaves which is eligible for encashment within the same calendar year is provided for at prevailing salary rate for the entire unavailed leave balance as at the Balance Sheet date.

Remeasurements on defined benefit plans, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets, are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

3.18 Share based payments

The Group carries out fair value cost assessment of employee stock options on the grant date using Black Scholes model. The cost towards employees of the Group is recognised as employee benefits expenses and that pertaining to employees of subsidiaries are recovered from subsidiaries, over the period in which the service conditions are fulfilled. The cumulative expense/recharge recognised for equity settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has not expired and the Group's best estimate of the number of equity instruments that will ultimately vest. No expense is recognised for grants that do not ultimately vest because of non fulfillment of service conditions. Service conditions are not taken into account while determining the grant date fair value of options, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest.

3.19 Leases:

The Group's leases primarily consists of leases for Building and office premises. The Group assesses whether a contract contains a lease , at the inception of a contract. A contract 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 a consideration. To assess whether a contract conveys the right to control the use of an identified asset, the group assesses whether (i) the contract involves the use of an identified asset (ii) the group has substantially all of the economic benefits from the use of the asset through out the period of lease and (iii) the group has the right to direct the use of asset.

Measurement and recognition

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease 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. The Group also assesses the right-of-use asset for impairment when such indicators exist. At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or at the incremental borrowing rate.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

Short term lease
The Group has elected not to recognise right of use asset and lease liabilities for short term leases of property that has lease term of 12 months or less. The Group recognises lease payment associated with these leases as an expense on a straight line basis over lease term.

Group as a lessee:
For any new contracts entered into on or after April 1, 2019, the Group considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the Group assesses whether the contract is or contains lease.

3.20 Earnings per share:
Basic earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding for the year.

Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by weighted average number of equity shares considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all potential equity shares.

3.21 Impairment of non-financial assets:
The Group assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal/external factors.If any such indication exists, the Group estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of cash generating unit which the asset belongs to is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment is reversed subject to a maximum carrying value of the asset before impairment.

3.22 Provisions and other contingent liabilities:
Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Claims against the Group, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

3.23 Income tax expenses:
Income tax expense represents the sum of the tax currently payable and deferred tax.

3.23.1 Current tax:
The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period. The group has opted for lower rate of tax under section 115BAA @ 22% plus surcharge of 10% and cess of 4% . Effective tax rate being 25.17%.

3.23.2 Deferred tax:
Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3.23.3 Minimum Alternative Tax (MAT) credit
MAT credit asset is recognized where there is convincing evidence that the asset can be realized in future. MAT credit assets are reviewed as at the balance sheet date and written down or written up to reflect the amount that is reasonably certain to be realised.
Group has opted for lower tax rate under section 115BAA and hence MAT is not applicable.

3.23.4 Current and deferred tax for the year:
Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

3.24 Goods and Service tax input credit
Goods and Services tax input credit is accounted for in the books for the period in which the supply of goods or service received is accounted and when there is no uncertainty in availing/utilising the credits.

3.25 Cash and cash equivalents:
Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less.

3.26 Property, plant and Equipment:

Recognition and measurement

Property, plant and equipment (PPE) is recognised when it is probable that the future economic benefits associated with it will flow to the Group and the cost can be measured reliably.

PPE are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the year till such assets are ready to be put to use. Any trade discounts and rebates are deducted in arriving at the purchase price. Gains or losses arising from derecognition of such assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Subsequent expenditure

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate only if it is probable that the future economic benefits associated with the item will flow to the group and that the cost of the item can be reliably measured. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repair and maintenance expenses are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation

Depreciation is provided on Straight Line Method ('SLM'), which reflects the management's estimate of the useful life of the respective assets. The estimated useful life used to provide depreciation are as follows:

Particulars	**Estimated useful life by the group**	**Useful life as prescribed by Schedule II of the companies Act 2013**
Computers	3 years	3 years
Office Equipment	5 years	5 years
Furniture and fixtures	10 years	10 years
Servers and networks	5 years	6 years

The useful lives and the method of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

3.27 Intangible assets :

Recognition and measurement :

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 Group. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition.

Amortisation

Intangible assets are amortised using the straight line method over a period of 5 years, which is the management's estimate of its useful life. The amortisation period and the amortisation method are reviewed at least as at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

3.28 Foreign currency translation

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are re-translated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

Exchange differences

All exchange differences are accounted in the Statement of Profit and Loss or Other Comprehensive Income as permitted under the relevant Ind AS.

4. Use of Estimates :-

The preparation of 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 year. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised. 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 years.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

4.1 Business model assessment :-

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The Group determines its business model at a level that reflects how financial assets as a whole and not an individual instrument performs; therefore the business model is developed basis a higher level of assessment at portfolio level rather than on granular instrument-level information and is based on observable factors such as:

(i) How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel.

(ii) The risks that affect the performance of the business model and, in particular, the way those risks are managed.

(iii) The expected frequency, value and timing of sales are also essential aspects of the Group's assessment.

(iv) How managers of the business are compensated (e.g. whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).

At initial recognition of a financial asset, the Group determines whether newly recognised financial assets are part of an existing business model or whether they reflect a new business model. The Group reassesses it's business model at each reporting period to determine whether the business model has changed since the preceding period.

Based on this assessment and future business plans of the Group, the management has measured its financial assets at amortised cost as the asset is held within a business model whose objective is to collect contractual cash flows, and the contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest.

4.2 Effective Interest Rate (EIR) Method:

The Group's EIR methodology recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle including prepayments and penalty interest and charges.

This estimation, by nature requires an element of judgement regarding the expected behaviour and life cycle of the instrument, as well expected changes India's base rate and other fee income, expenses that are integral part of the instrument.

4.3 Impairment of Financial assets:

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Group's ECL calculations are outputs of models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

• PD calculation includes historical data, assumptions and expectations of future conditions
• The Group's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a life-time expected credit loss and the qualitative assessment
• The segmentation of financial assets when their ECL is assessed on a collective basis
• Development of ECL models, including the various formulas and the choice of inputs
• Determination of corelation between macroeconomic scenarios and, economic inputs, such as GDP levels and collateral values, and the effect on PDs, EAD and LGD
• Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models

It is Group's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

4.4 Impairment of Non-Financial assets:

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exist, the group estimates the asset's recoverable amount. An asset's recoverable amount is higher of an asset's fair value less cost of disposal and its value in use. Where the carrying amount exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

4.5 Fair value of financial instruments:

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

4.6 Provisions, contingent liabilities and contingent assets:

Provisions are recognised when:

i. The Group has a present obligation (legal or constructive) as a result of a past event; and
ii. it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
iii. a reliable estimate can be made of the amount of the obligation.

These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Long term provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as a finance cost. A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

Contingent liability is disclosed in case of:

i. a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and
ii. a present obligation arising from past events, when no reliable estimate is possible.

Contingent liabilities are reviewed at each balance sheet date.

Contingent assets:

Contingent assets are not recognized in the financial statements. Contingent asset are disclosed where an inflow of economic benefits is probable.

4.7 Provisions for Income Taxes:

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectation of future events that may have a financial impact on the group and that are believed to be reasonable under the circumstances.

Protium Finance Limited
(Formerly known as Growth Source Financial Technologies Limited)

Notes to the Consolidated Financial Statements

Note "5"
Cash and Cash Equivalents (₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Cash on hand	-	-
Balance with banks		
Current accounts	31,316.85	11,416.23
Bank deposits with original maturity or less than or equal to three months	58,721.28	20,500.00
Less: Impairment Loss Allowance	(15.03)	(15.66)
Total	**90,023.10**	**31,900.56**

5.1 Bank deposits includes deposits under lien aggregating to Nil (as at March 31, 2023 1,000 Lakhs) for liabilities arising out of securitisation transactions.

Note "6"
Bank balances other than cash and cash equivalents (₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Bank deposits more than three months' maturity	42,469.63	1,766.13
Less: Impairment Loss Allowance	(15.53)	(1.35)
Total	**42,454.10**	**1,764.78**

6.1 Bank deposits includes deposits under lien aggregating to Rs. 4,492.98 lakhs (as at March 31, 2023 Rs. 1,701.86 lakhs) for liabilities arising out of securitisation transactions.

Note "7"
Trade Receivables (₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Receivables considered good - Secured	-	-
Receivables considered good - Unsecured	1,007.80	319.05
Receivables which have significant increase in credit risk	-	-
Receivables – credit impaired	-	-
Total	1007.8	319.05
Less: Impairment Loss Allowance	(15.57)	(1.50)
Total	**992.23**	**317.55**

Trade Receivables Ageing for the year ended March 31, 2024 (₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment						
	Less than 6 months	**6 months -1 year**	**1-2 years**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed Trade Receivables	989.62	7.07	11.11		-	-	1,007.80
Less: Impairment Loss Allowance	(15.05)	(0.20)	(0.32)		-	-	(15.57)
Total	**974.57**	**6.87**	**10.79**	**-**	**-**	**-**	**992.23**

7.1 (i) No trade receivables are due from Directors or other officers of the Company either severally or jointly with any other person or debts due by firms including limited liability partnerships (LLPs), private companies respectively in which any director is a partner or a director or a member.
7.1 (ii) No trade receivables are due from related parties.

Trade Receivables Ageing for the year ended March 31, 2023 (₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment						
	Less than 6 months	**6 months -1 year**	**1-2 years**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed Trade Receivables	291.06	21.42	6.57		-	-	319.05
Less: Impairment Loss Allowance	(1.37)	(0.10)	(0.03)		-	-	(1.50)
Total	**289.69**	**21.32**	**6.54**	**-**	**-**	**-**	**317.55**

7.1 (i) No trade receivables are due from Directors or other officers of the Company either severally or jointly with any other person or debts due by firms including limited liability partnerships (LLPs), private companies respectively in which any director is a partner or a director or a member.
7.1 (ii) No trade receivables are due from related parties.

Protium Finance Limited
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Notes to the Consolidated Financial Statements
Note "8"
Loans

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Loan portfolio		
(at amortised cost)		
(A)		
(i) Term loans	3,28,638.03	2,40,261.97
Total Gross	**3,28,638.03**	**2,40,261.97**
Less : Impairment loss allowance	(5,266.66)	(3,356.95)
Total Net Loans	**3,23,371.37**	**2,36,905.02**
(B)		
(i) Secured by tangible assets	2,12,238.91	1,56,602.40
(ii) Secured by Intangible assets	-	-
(iii) Unsecured	1,16,399.12	83,659.57
Total Gross	**3,28,638.03**	**2,40,261.97**
Less : Impairment loss allowance	(5,266.66)	(3,356.95)
Total Net Loans	**3,23,371.37**	**2,36,905.02**
Loan portfolio		
(at amortised cost)		
(C)		
Loans in India		
(i) Public Sector	-	-
(ii) Others	3,28,638.03	2,40,261.97
Total Gross	**3,28,638.03**	**2,40,261.97**
Less : Impairment allowance	(5,266.66)	(3,356.95)
Total Net (I)	**3,23,371.37**	**2,36,905.02**
Loans outside India (II)	-	-
Total Net (I) + (II)	**3,23,371.37**	**2,36,905.02**

8.1 Collateral and other credit enhancements :
Loans granted by the Group are secured by any or all of the following as applicable, based on their categorisation:
a) Equitable / registered mortgage of property.
b) Undertaking to create a security.
c) The personal guarantees of borrowers.
d) Assignment of insurance policies.

8.2 Includes loans under on-going cheque handover post completion of disbursement process.
8.3 The Group has not provided any loans or advances to promoters, directors, KMPs and the related parties.
8.4 Unsecured Loans includes unsecured business loans which is guaranteed by Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) and Credit Guarantee Fund for Micro Units (CGFMU) amounting to Rs. 34,812.38 Lakhs (March 31, 2023 Rs. 4,906.63 Lakhs)
8.5 There were no loans given against the collateral of gold jewellery & hence the percentage of such loan to the total outstanding assets is Nil (as at March 31, 2023 is Nil).

Protium Finance Limited

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Notes to the Consolidated Financial Statements

Note "9"

Investments

(₹ in lakhs)

Particulars	As at March 31, 2024					
	Amortised Cost	At Fair Value				Total
		Through Profit or Loss	Designated through Profit or Loss	Subtotal	Others	
Investment in Debentures	-	-	-	-	-	-
Investment in Government Securities	25,899.76	-	-	-	-	25,899.76
Investment in Mutual Funds	-	203.19	-	203.19	-	203.19
Investment in ULIP	-	47.62	-	47.62	-	47.62
Invesment in PTC's	3,852.66	-	-	3,852.66	-	3,852.66
Total (A)	**29,752.42**	**250.81**	**-**	**4,103.47**	**-**	**30,003.23**
Investment outside India	-	-	-	-	-	-
Investment in India	29,752.42	250.81	-	4,103.47	-	30,003.23
Total (B)	**29,752.42**	**250.81**	**-**	**4,103.47**	**-**	**30,003.23**
Less: Impairment loss Allowance (C)	(0.59)	-	-	(0.59)	-	(0.59)
Total (D= A-C)	**29,751.83**	**250.81**	**-**	**4,102.88**	**-**	**30,002.64**

(₹ in lakhs)

Particulars	As at March 31, 2023					
	Amortised Cost	At Fair Value				Total
		Through Profit or Loss	Designated through Profit or Loss	Subtotal	Others	
Investment in Debentures	59.02	-	-	59.02	-	59.02
Investment in Government Securities	3,494.97	-	-	3,494.97	-	3,494.97
Invesment in PTC's	323.35	-	-	323.35	-	323.35
Total (A)	**3,877.34**	**-**	**-**	**3,877.34**	**-**	**3,877.34**
Investment outside India	-	-	-	-	-	-
Investment in India	3,877.34	-	-	3,877.34	-	3,877.34
Total (B)	**3,877.34**	**-**	**-**	**3,877.34**	**-**	**3,877.34**
Less: Impairment loss Allowance	(0.36)	-	-	(0.36)	-	(0.36)
Total	**3,876.98**	**-**	**-**	**3,876.98**	**-**	**3,876.98**

Note "10"

Other Financial assets

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Security deposits	673.32	689.88
EIS receivable*	18,304.32	6,478.32
Other Receivable	5,050.07	2,301.40
Total	**24,027.71**	**9,469.60**
Less: Impairment Loss Allowance	(129.39)	(60.43)
Total Financial Assets	**23,898.32**	**9,409.17**

*With respect to assignment and co-lending deals, the Group has created an Excess Interest Spread (EIS) receivable with corresponding credit to Profit and loss for the year, which has been computed by discounting Excess Interest Spread (EIS) to present value with necessary estimate and assumptions.

Protium Finance Limited
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Notes to the Consolidated Financial Statements

Note "11"
Property, plant and equipment
As at March 31, 2024

(₹ in lakhs)

Description	Gross Block				Accumulated Depreciation				Net book value			
	As at April 01, 2023	Additions	Disposal/ Adjustments	As at March 31, 2024	As at April 01, 2023	Additions	Disposal/ Adjustments	As at March 31, 2024	As at April 01, 2023	Additions	Disposal/ Adjustments	As at March 31, 2024
Right of Use Assets	1,148.47	2,347.68	(614.18)	2,881.97	509.15	831.81	(325.79)	1,015.17	639.32	1,515.87	(288.39)	1,866.80
Leasehold Improvements	129.56	553.79	(100.40)	582.95	48.70	164.22	(64.59)	148.33	80.86	389.57	(35.81)	434.62
Furniture and fixtures	103.03	235.35	(91.33)	247.05	14.73	29.51	(7.88)	36.36	88.30	205.85	(83.46)	210.69
Office equipment	176.60	66.98	(1.95)	241.63	63.97	56.61	(1.14)	119.44	112.63	10.37	(0.81)	122.19
Computers	972.55	192.87	(18.94)	1,146.48	406.36	295.25	(13.96)	687.65	566.19	(102.38)	(4.98)	458.83
Total	**2,530.20**	**3,396.67**	**(826.80)**	**5,100.08**	**1,042.91**	**1,377.41**	**(413.35)**	**2,006.95**	**1,487.30**	**2,019.28**	**(413.45)**	**3,093.13**

As at March 31, 2023

(₹ in lakhs)

Description	Gross Block				Accumulated Depreciation				Net book value			
	As at April 01, 2022	Additions	Disposal/ Adjustments	As at March 31, 2023	As at April 01, 2022	Additions	Disposal/ Adjustments	As at March 31, 2023	As at April 01, 2022	Additions	Disposal/ Adjustments	As at March 31, 2023
Right of Use Assets	696.59	451.88	-	1,148.47	119.51	389.64	-	509.15	577.08	62.24	-	639.32
Leasehold Improvements	74.42	55.14	-	129.56	12.94	35.76	-	48.70	61.47	19.39	-	80.86
Furniture and fixtures	68.52	34.51	-	103.03	6.40	8.33	-	14.73	62.12	26.18	-	88.30
Office equipment	99.35	77.25	-	176.60	22.73	41.24	-	63.97	76.63	36.00	-	112.63
Computers	516.85	456.69	(0.99)	972.55	163.58	243.22	(0.44)	406.36	353.27	213.47	(0.55)	566.19
Total	**1,455.73**	**1,075.47**	**(0.99)**	**2,530.21**	**325.16**	**718.21**	**(0.44)**	**1,042.91**	**1,130.57**	**357.28**	**(0.55)**	**1,487.30**

Capital work-in-progress ageing schedule as at March 31, 2024

(₹ in lakhs)

Description	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

Capital work-in-progress ageing schedule as at March 31, 2023

(₹ in lakhs)

Description	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	389.59	-	-	-	**389.59**
Projects temporarily suspended	-	-	-	-	-

Note "12"

Intangible assets and Intangible assets under development

A) Other Intangible assets

As at March 31, 2024

(₹ in lakhs)

Description	Gross Block				Accumulated Depreciation				Net book value			
	As at April 01, 2023	Additions	Disposal/ Adjustments	As at March 31, 2024	As at April 01, 2023	Additions	Disposal/ Adjustments	As at March 31, 2024	As at April 01, 2023	Additions	Disposal/ Adjustments	As at March 31, 2024
Softwares	4,300.30	1,315.17	-	5,615.47	1,329.72	1,014.49	-	2,344.21	2,970.58	300.68	-	3,271.26
Intangible Others	5.04	-	(5.04)	-	2.31	0.96	(3.27)	-	2.73	(0.96)	(1.77)	-
Total	**4,305.35**	**1,315.17**	**(5.04)**	**5,615.47**	**1,332.03**	**1,015.46**	**(3.27)**	**2,344.21**	**2,973.31**	**299.72**	**(1.77)**	**3,271.26**

As at March 31, 2023

(₹ in lakhs)

Description	Gross Block				Accumulated Depreciation				Net book value			
	As at April 01, 2022	Additions	Disposal/ Adjustments	As at March 31, 2023	As at April 01, 2022	Additions	Disposal/ Adjustments	As at March 31, 2023	As at April 01, 2022	Additions	Disposal/ Adjustments	As at March 31, 2023
Softwares	2,723.98	1,576.32	-	4,300.30	665.42	664.30	-	1,329.72	2,058.55	912.03	-	2,970.58
Intangible Others	5.04	-	-	5.04	1.26	1.05	-	2.31	3.77	(1.05)	-	2.73
Total	**2,729.02**	**1,576.32**	**-**	**4,305.34**	**666.68**	**665.36**	**-**	**1,332.03**	**2,062.33**	**910.98**	**-**	**2,973.31**

B) Intangible under development

(₹ in lakhs)

Description	As at March 31, 2024	As at March 31, 2023
Intangible under develeopment	111.06	277.93
Total	**111.06**	**277.93**

Schedule of ageing of completion of intangible assets under development as at March 31, 2024

(₹ in lakhs)

Description	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	111.06	-	-	-	**111.06**
Projects temporarily suspended	-	-	-	-	**-**

Schedule of ageing of completion of intangible assets under development as at March 31, 2023

(₹ in lakhs)

Description	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	277.93	-	-	-	**277.93**
Projects temporarily suspended	-	-	-	-	**-**

Protium Finance Limited
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Notes to the Consolidated Financial Statements

Note "13"
Other Non Financial Assets (₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
GST input credit	684.17	813.39
Prepaid expenses	768.17	383.90
Salary Advance	9.15	13.50
Advances with others	228.60	9.10
Prepaid Lease Expenses	48.44	73.35
Others	314.34	114.90
Total	**2,052.87**	**1,408.14**

Note "14"
Derivative financial instruments (₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Part I (Derivatives held for hedging)		
(i) Currency derivatives including interest rate swap		
Notional amounts		
- Cross currency interest rate swap	27,464.40	-
Fair value assets		
- Cross Currency Interest rate swap		
Fair value liabilities		
- Cross Currency Interest rate swap	35.04	-
Subtotal(i)		
(ii) Interest rate derivatives		
Notional amounts		
- Overnight interest rate swap	-	-
Fair value assets		
- Overnight interest rate swap	-	-
Fair value liabilities		
- Overnight interest rate swap	-	-
Subtotal(ii)		
Total derivative financial instruments (i)+(ii)	**35.04**	**-**

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Part II (Derivatives for risk management purpose)		
(i) Fair value hedging:		
Notional amounts		
- Fair value derivatives	-	-
Fair value assets		
- Fair value derivatives	-	-
Fair value liabilities		
- Fair value derivatives	-	-
Subtotal(i)		
(ii) Cashflow hedging		
Notional amounts		
- Currency derivatives*	27,464.40	-
- Interest rate derivatives		
Fair value assets		
- Currency derivatives*		
- Interest rate derivatives		
Fair value liabilities		
- Currency derivatives	35.04	**-**
- Interest rate derivatives		
Subtotal(ii)		
Total derivative financial instruments (i)+(ii)	**35.04**	**-**

Note "15"
Trade payables (₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade payables		
Due to micro and small enterprises	916.66	246.16
To others	1,481.49	146.21
Total	**2,398.15**	**392.37**

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Notes to the Consolidated Financial Statements

Details of dues to micro, medium and small enterprises
The amounts due to Micro and Small Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent of information available and compiled by the Company. This has been relied upon by the auditors.

Disclosure pertaining to Micro and Small Enterprises as at March 31, 2024 are as under :

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;	916.66	246.16
(ii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(iii) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Trade Payables Ageing schedule as at March 31, 2024

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	916.66	-	-	-	916.66
(ii) Others	1,478.89	-	2.07	0.52	1,481.49
(iii) Disputed dues – MSME	-		-	-	-
(iv) Disputed dues - Others	-		-	-	-
Total	**2,395.55**	**-**	**2.07**	**0.52**	**2,398.15**

Trade Payables Ageing schedule as at March 31, 2023

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	246.16	-	-	-	246.16
(ii) Others	143.69	2.52	-	-	146.21
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	**389.85**	**2.52**	**-**	**-**	**392.37**

Protium Finance Limited

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Notes to the Consolidated Financial Statements

Note "16"

Debt Securities (₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
At Amortised cost		
Secured		
Redeemable Market Linked Non-Convertible Debentures	10,592.30	5,024.26
Liabilities arising out of securitization transactions	40,263.02	9,101.09
(ii) Unsecured	-	-
Total	**50,855.32**	**14,125.35**
B) Out of above		
Debt securities in India	50,855.32	14,125.35
Debt securities outside India	-	-
Total	**50,855.32**	**14,125.35**

16.1) Terms of repayment of non-convertible debentures (NCDs) as at 31 March 2024

Series details	Face value per debenture (in lakhs)	Date of allotment	Balance as at March 31, 2024 (Rs in Lakhs)	Interest rate % per annum	Date of redemption	Redeemable terms
Protium22-23-A-PPMLD-Sep2024	10.00	22-12-2022	5,564.41	8.93%	22-09-2024	Bullet
9.79%p.a.p.m.Protium Finance Limited	1.00	17-04-2023	5,027.89	9.79%	25-04-2025	Bullet

Terms of repayment of non-convertible debentures (NCDs) as at 31 March 2023

Series details	Face value per debenture (in lakhs)	Date of allotment	Balance as at March 31, 2023 (Rs in Lakhs)	Interest rate % per annum	Date of redemption	Redeemable terms
Protium22-23-A-PPMLD-Sep2024	10.00	22-12-2022	5,024.26	8.93%	22-09-2024	Bullet

Nature of security

Debentures are secured by hypothecation of specified term loan receivables

Note "17"

Borrowings (Other than Debt Securities) (₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
At Amortised cost		
(a) Term Loans		
(i) From banks	1,66,626.55	90,659.77
(ii) From other parties	11,864.96	13,066.29
(b) External commercial borrowings	27,665.66	-
(c) Loans repayable on demand		
(i) Bank Overdraft	11,150.33	397.96
Total (a + b)	**2,17,307.50**	**1,04,124.02**
Borrowings in India	1,89,641.84	1,04,124.02
Borrowings outside India	27,665.66	-
Total	**2,17,307.50**	**1,04,124.02**
Secured Borrowings	2,17,307.50	1,04,124.02
Unsecured Borrowings	-	-
Total	**2,17,307.50**	**1,04,124.02**

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Notes to the Consolidated Financial Statements

Note "18"
Other Financial Liabilities (₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
ROU Liability (Refer Note 45)	1,946.80	673.19
Accrued Expenses	1,380.70	2,499.76
Other Payables	10,881.93	27,462.56
Total	**14,209.43**	**30,635.51**

Note "19"
Provisions (₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits		
Gratuity (Refer Note 38)	282.39	136.13
Compensated absences	51.20	30.82
Total	**333.59**	**166.95**

Note "20"
Deferred Tax Liabilities (net) (₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax assets		
Tax effect of timing differences on account of -		
Impairment of financial instruments	(1,369.95)	(864.90)
Disallowances under section 43B of the Income Tax Act, 1961	(79.91)	(44.78)
Total (a)	**(1,449.86)**	**(909.69)**
Deferred tax liabilities		
Tax effect of timing differences on account of -		
Ind AS adjustment (effective interest rate on fee income and exp, EIS on assignment)	5,120.48	1,765.07
Difference between books and tax written down value of fixed assets	248.35	396.85
Total (b)	**5,368.83**	**2,161.92**
Total (a+b)	**3,918.98**	**1,252.23**

Note "21"
Other Non-Financial Liabilities (₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory liabilities	527.47	1,084.07
Advance from customers	2,703.74	7,698.45
Total	**3,231.21**	**8,782.52**

Notes to the Consolidated Financial Statements

Note 17(a)(i) Term loan from bank as on March 31, 2024 : Secured

(₹ in lakhs)

Repayment Term	Interest range	Residual tenure on balance sheet date	As at March 31, 2024
Monthly	8.34% - 11%	Upto 1 Year	7,585.44
		1 to 3 Years	48,653.23
		3 to 5 Years	35,585.22
		5 to 7 Years	12,389.50
Quarterly	8.58% - 10.75%	1 to 3 Years	41,895.05
		3 to 5 Years	21,761.58
Interest accrued			202.31
EIR impact			(1,445.78)
Total			**1,66,626.55**

Note 17(a)(ii) Term loan from bank as on March 31, 2023 : Secured

(₹ in lakhs)

Repayment Term	Interest range	Residual tenure on balance sheet date	As at March 31, 2023
Monthly	8.58% - 11%	Upto 1 Year	1,875.00
		1 to 3 Years	71,183.40
		3 to 5 Years	9,186.77
		5 to 7 Years	3,500.00
Quarterly	8.58% - 10.75%	1 to 3 Years	5,541.18
Interest accrued			83.49
EIR impact			(710.07)
Total			**90,659.77**

Nature of security
Term loan from bank is secured by hypothecation of specified term loan receivables

Note 17(b)(i) Term loan from financial institutions as on March 31, 2024 :

(₹ in lakhs)

Repayment Term	Interest range	Residual tenure on balance sheet date	As at March 31, 2024
Monthly	9.50% - 10.40%	Upto 1 Year	503.26
		1 to 3 Years	11,373.68
Interest accrued			42.09
EIR impact			(54.07)
Total			**11,864.96**

Note 17(b)(ii) Term loan from financial institutions as on March 31, 2023 :

(₹ in lakhs)

Repayment Term	Interest range	Residual tenure on balance sheet date	As at March 31, 2023
Monthly	9% - 10.15%	Upto 1 Year	4,125.00
		1 to 3 Years	8,950.84
Interest accrued			39.54
EIR impact			(49.09)
Total			**13,066.29**

Nature of security
Term loan from bank is secured by hypothecation of specified term loan receivables

Note 17(c)(i) External commercial borrowings as on March 31, 2024 : Secured

(₹ in lakhs)

Repayment Term	Interest range	Residual tenure on balance sheet date	As at March 31, 2024
Bullet	9.62% - 10.14%	1 to 3 Years	27,464.40
Interest accrued			531.98
EIR impact			(330.72)
Total			**27,665.66**

Note 17(c)(ii) External commercial borrowings as on March 31, 2023 : Secured

(₹ in lakhs)

Repayment Term	Interest range	Residual tenure on balance sheet date	As at March 31, 2023
-	-	-	-
Interest accrued			-
EIR impact			-
Total			**-**

Nature of security
Term loan from bank is secured by hypothecation of specified term loan receivables

Note 17(d)(i) Loan repayable on demand from bank as on March 31, 2024 : Secured

(₹ in lakhs)

Repayment Term	Interest range	Residual tenure on balance sheet date	As at March 31, 2024
Bullet	8.05% - 8.31%	Upto 1 Year	11,150.33
Interest accrued			-
EIR impact			-
Total			**11,150.33**

Note 17(d)(ii) Loan repayable on demand from bank as on March 31, 2023 : Secured

(₹ in lakhs)

Repayment Term	Interest range	Residual tenure on balance sheet date	As at March 31, 2023
Bullet	5.25% - 10.30%	Upto 1 Year	400.55
Interest accrued			0.14
EIR impact			(2.73)
Total			**397.96**

Nature of security
Term loan from bank is secured by specified bank FD

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Notes to the Consolidated Financial Statements

Note "22"
Equity Share Capital

(a) Details of authorised, issued and subscribed share capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	₹ in lakhs	No. of Shares	₹ in lakhs
Authorized Share Capital				
Equity Shares of ₹ 10 each	15,60,09,300	15,600.93	9,50,09,300	9,500.93
Compulsory Convertible Preference Shares	-	-	6,10,00,000	6,100.00
Issued, subscribed and fully paid-up				
Equity shares of ₹ 10 each	14,51,42,330	14,514.23	9,46,77,800	9,467.78
0.001% Compulsory Convertible Preference Shares (CCPS) of ₹ 10 each	-	-	-	-
Total	**14,51,42,330**	**14,514.23**	**9,46,77,800**	**9,467.78**

(a)(i) Reconciliation of Equity Shares outstanding at the beginning and at the end of the reporting year

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	₹ in lakhs	No. of Shares	₹ in lakhs
Equity Shares				
At the commencement of the year	9,46,77,800	9,467.78	2,22,97,872	2,229.79
Issued during the year	5,04,64,530	5,046.45	6,68,568	66.86
Add: CCPS converted during the year	-	-	7,17,11,360	7,171.13
Shares bought back during the year	-	-	-	-
At the end of the year	**14,51,42,330**	**14,514.23**	**9,46,77,800**	**9,467.78**

(a)(ii) Reconciliation of 0.001% Compulsory Convertible Preference Shares (CCPS) outstanding at the beginning and at the end of the reporting year

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	₹ in lakhs	No. of Shares	₹ in lakhs
0.001% Compulsory Convertible Preference Shares (CCPS)				
At the commencement of the year	-	-	5,02,71,833	5,027.18
Issued during the year	-	-	-	-
Converted in to equity shares during the year	-	-	(5,02,71,833)	(5,027.18)
At the end of the year	**-**	**-**	**-**	**-**

(b) Rights, Preferences and restrictions attached to Equity Shares

The Group has single class equity shares having a par value of ₹ 10 per equity share. Accordingly, all equity shares rank equally with regard to dividends and share in the Group's residual assets. The equity shares are entitled to receive dividend as declared from time to time subject to payment of dividend to preference shareholders. In the event of liquidation of the Group, the holders of equity shares will be entitled to receive the residual assets of the Group, remaining after distribution of all preferential amounts in proportion to the number of equity shares held. Upon show of hands, every member present in person and holding any equity share capital therein, shall have one vote, in respect of such capital, on every resolution placed before the Group.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Group, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Rights, Preferences and restrictions attached to CCPS

The CCPS will have voting rights as one vote per CCPS before conversion into equity. The holders of CCPS shall be entitled to the same number of votes for each Equity Share which would be issued upon conversion of the CCPS at the then applicable rate. The CCPS shall carry a non-cumulative dividend of 0.001 % p.a. on the face value of each CCPS. In addition, if the holders of Equity Shares are proposed to be paid dividend in excess of 0.001%, the holders of the CCPS shall be entitled to dividend at such higher rate in priority to the holders of Equity Shares and holders of such other classes of shares. Upon conversion of the CCPS into Equity Shares in accordance with the provisions agreed, the holders of the CCPS shall be entitled to participate in the dividend on Equity Shares on a pari passu basis with the holders of the Equity Shares. One CCPS shall convert into one Equity share subject to agreed terms and condition on Conversion. The Group shall be entitled to convert the CCPS into Equity Shares at any time after the date of issuance but no later than the day immediately preceding the expiry of nineteen years from the date of first issuance of CCPS by the Group.

(d) Equity Shares held by Holding Company

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	₹ in lakhs	No. of Shares	₹ in lakhs
Consilience Capital Management and it's nominee	14,41,44,759.00	14,414.48	9,40,09,232	9,400.92

(e) Details of shareholder(s) holding more than 5% of equity shares in the group

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	% Holding	No. of Shares	% Holding
Consilience Capital Management and it's nominee	14,41,44,759.00	99.31%	9,40,09,232	99.29%

(f) There are no bonus shares issued or shares issued for consideration other than cash or shares bought back during the year ended March 31, 2024.

(g) There are no shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment during the year ended March 31, 2024.

(h) Equity Shares held by Promoters

Shares held by promoters at the end of the year		As at March 31, 2024		As at March 31, 2023		% Change during the year
S. No.	Promoter Name	No. of Shares	% of total shares	No. of Shares	% of total shares	
1	Consilience Capital Management and it's nominee	14,41,44,759	99.31%	9,40,09,232	99.29%	0.02%

(i) For Group's objectives, policies and processes for managing capital, refer note -- 42

(j) Shares reserved for issue under employee stock option plan

Particulars	As at March 31, 2024	As at March 31, 2023
	No. of Shares	
Equity shares of Rs. 10 each	29,28,298	-

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Notes to the Consolidated Financial Statements

Note "23"

Other Equity (₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Securities premium account[1]	1,97,771.59	1,19,051.78
Share based payment reserve[2]	439.66	-
Statutory reserve (created under Section 45-IC of the RBI Act, 1934)[3]	3,855.49	1,550.06
Retaining Earnings[4]	11,851.26	2,508.55
Cash flow hedge reserve[5]	(26.22)	-
Total	**2,13,891.78**	**1,23,110.39**

1) Securities premium:

Share premium is credited when shares are issued at premium and with the fair value of the stock options which are treated as expense, if any, in respect of shares allotted pursuant to Employee Stock Options Scheme, Share premium can be utilised only for limited purposes such as issuance of bonus shares or adjustment of share issue expenses, net of tax, as permissible under the Companies Act, 2013.

2) Share options outstanding account

Share options outstanding account is created as required by Ind AS 102 'Share Based Payments' on the Employee Stock Option Scheme operated by the Company for employees of the Group.

3) Reserve fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934

Reserve fund is created as per the terms of section 45 IC(1) of the Reserve Bank of India Act, 1934 as a statutory reserve.

4) Retained earnings

Retained earnings represents the surplus in profit and loss account and net amount of appropriations made to/from retained earnings.

The Company recognises change on account of remeasurement of the net defined benefit liability (asset) as part of retained earnings with separate disclosure, which comprises of (a)actuarial gains and losses: (b) return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); (c) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset).

5) Cash flow hedge reserve

It represents the cumulative gains/(losses) arising on revaluation of the derivative instruments designated as cash flow hedges through OCI and underlying hedged items.

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Notes to the Consolidated Financial Statements

Note "24"
Revenue from operations (₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Income on Loans	52,572.45	32,830.29
Interest Income from Investments	1,114.60	576.32
Interest on fixed deposits with banks	3,217.65	939.82
Total	**56,904.70**	**34,346.43**

Note "25"
Fees and commission Income (₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Fees and commission Income	3,079.13	1,429.64
Facilitation Fees from GSFT	2,071.34	1,535.08
Total	**5,150.47**	**2,964.72**

Note "26"
Net gain/(loss) on fair value changes (₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Net gain/ (loss) on financial instruments at fair value through profit or loss		
- Investments	64.14	1.08
Total	**64.14**	**1.08**
Fair value changes:		
- Realised	58.77	1.08
- Unrealised	5.37	-
Total	**64.14**	**1.08**

Note "27"
Net gain on derecognition of financial instruments under amortised cost category (₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Gain on derecognition of Financial asset	10,643.26	6,336.79
Total	**10,643.26**	**6,336.79**

Note "28"
Other income (₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Others	2,988.97	330.83
Total	**2,988.97**	**330.83**

Note "29"
Finance Cost (₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Measured at amortized cost		
Interest on borrowings	17,782.50	6,691.92
Interest on debt securities	956.73	364.83
Interest on lease liabilities	181.25	61.44
Other finance cost	77.22	7.48
Total	**18,997.70**	**7,125.67**

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Notes to the Consolidated Financial Statements

Note "30"
Impairment on financial instruments (₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
On financial instruments measured at amortized cost		
Impairment on financial instruments	2,006.53	2,247.91
Impairment on Others	-	-
Loans written off	4,566.22	1,793.97
Total	**6,572.75**	**4,041.88**

Note "31"
Employee benefits expense (₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Employee benefits expense		
Salaries and wages	19,529.99	13,950.63
Contribution to and provision for		
Provident and other funds	701.55	506.48
Gratuity fund	110.23	51.89
Compensated Leave	3.31	0.89
Share based payment	439.66	-
Staff welfare expenses	584.72	495.38
Total	**21,369.46**	**15,005.27**

Note "32"
Depreciation and amortisation (₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation on property, plant and equipment	1,377.38	718.19
Amortisation on intangible assets	1,015.45	665.35
Total	**2,392.83**	**1,383.54**

Note "33"
Other expenses (₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Loan Origination and Servicing Costs	4,000.69	2,921.27
IT expenses	1,147.95	945.55
Legal and professional charges	1,366.22	788.34
Travelling and conveyance	897.15	729.29
Rent, rates and taxes	413.85	408.75
Office Expenses	709.50	530.42
Business promotion expenses	108.84	258.42
Communication Costs	188.78	129.85
Printing and stationery	151.88	119.15
Auditor fees and expenses	91.55	127.03
Bank Charges	87.99	94.57
Electricity charges	157.46	93.94
Director’s fees, allowances, and expenses	118.94	79.57
Membership & Subscription	102.57	77.33
Insurance	87.81	65.57
Loss on Foreclosure of Loans	218.67	62.38
Postage and courier	96.84	42.45
Collection Charges	417.04	121.51
Repairs and maintenance	68.70	26.89
Corporate Social Responsibility	67.80	6.26
Brokerage & Commission	6.18	5.04
Loss on Sale / Scrap of Fixed Assets	46.50	0.55
Other expenses	15.28	76.64
Total	**10,568.19**	**7,710.77**

Payment to auditors includes: (₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
a) For Statutory audit	64.43	70.83
b) For taxation matters	7.19	3.77
c) For other services*	19.93	49.60
d) For reimbursement of expenses	-	2.83
Total	**91.55**	**127.03**

*includes fees for half yearly audit and limited review.

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Notes to the Consolidated Financial Statements

34.1 Reconciliation of total tax charge

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current tax	1,493.64	1,045.29
Earlier Year Tax	-	-
Deferred tax	2,681.84	1,251.55
Total income tax expenses recognised in the current year	**4,175.47**	**2,296.84**
Income tax expense recognised in other comprehensive income	17.92	8.45
Income tax expense for the year reconciled to the accounting profit:		
Profit before tax	15,850.61	8,712.72
Income tax rate	25.17%	25.17%
Income tax expense	3,989.60	2,192.99
Tax effect of:		
Effect of Ind AS adjustments (net)	(3,264.53)	(1,730.01)
Impairment of Loans	505.04	565.69
Others (including tax adjustment for earlier years)	2,945.35	1,268.17
Income tax expense recognised in profit and loss	**4,175.47**	**2,296.84**

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

For the year ended March 31, 2024

(₹ in lakhs)

Deferred tax asset / (liability)	Opening balances as on April 01, 2023	Recognised in profit or loss (Expense) / Income	Recognised in other comprehensive income	Closing balances as on March 31, 2024
Impairment of financial instruments	864.90	505.04	-	1,369.95
Ind AS adjustment (effective interest rate on fee income and exp, EIS on assignment)	(1,761.34)	(3,352.57)	-	(5,113.90)
Unabsorbed Depreciation and Business Loss	-	-	-	-
Disallowances under section 43B of the Income Tax Act, 1961	44.78	14.11	12.20	71.09
Impact on assignment transaction on account of EIS	-	-	-	-
Fair valuation of derivative financials instrument	-	-	8.82	8.82
Difference between books and tax written down value of fixed assets	(396.85)	148.50	-	(248.35)
Total	**(1,248.49)**	**(2,684.91)**	**21.02**	**(3,912.41)**

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

For the year ended March 31, 2023

(₹ in lakhs)

Deferred tax asset / (liability)	Opening balances as on April 01, 2022	Recognised in profit or loss (Expense) / Income	Recognised in other comprehensive income	Closing balances as on March 31, 2023
Impairment of financial instruments	300.44	564.46	-	864.90
Ind AS adjustment (effective interest rate on fee income and exp, EIS on assignment)	(123.43)	(1,637.91)	-	(1,761.34)
Unabsorbed Depreciation and Business Loss	28.05	(28.05)	-	-
Disallowances under section 43B of the Income Tax Act, 1961	1.93	34.39	8.45	44.78
Impact on assignment transaction on account of EIS	-	-	-	-
Difference between books and tax written down value of fixed assets	(212.40)	(184.45)	-	(396.85)
Total	**(5.41)**	**(1,251.55)**	**8.45**	**(1,248.51)**

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Notes to the Consolidated Financial Statements

Note "35"

Earnings per share ('EPS')

Basic earnings per share is calculated by dividing the profit attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is calculated by dividing the profit attributable to equity shareholders of the Group with the weighted average number of equity shares outstanding during the year adjusted for assumed conversion of all dilutive potential equity shares.

i. Profit attributable to Equity shareholders:

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit/ (loss) after tax as per Statement of Profit and Loss	11675.13	6,415.88
Add: Dividend savings on CCPS	-	-
Net profit attributable to equity shareholders for calculation of Basic EPS	**11,675.13**	**6,415.88**
Net profit adjusted for the effects of dilutive potential equity shares for calculation of Diluted EPS	**11,675.13**	**6,415.88**

ii. Weighted Average Number of Shares and Earnings per share (EPS)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	10,95,68,973	5,90,39,496
Adjustments for calculation of diluted earnings per share:	-	-
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share	10,95,68,973	5,90,39,496
Basic earnings per share (₹)	**10.66**	**10.87**
Diluted earnings per share (₹)	**10.66**	**10.87**

Notes to the Consolidated Financial Statements

36. Segment reporting

The Group operates in a single reportable operating segment of sourcing and providing loans. All other activities of the Group revolve around the main business. Accordingly, there are no separate reportable segments as per IND-AS 108 dealing with Operating Segment.
The group has its operations within India , and all revenue are generated within India.

37. Contingent Liability & Commitment:

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Contingent Liability		
Commitments		
Estimated amount of contracts remaining to be executed on capital	47.45	259.60
Undisbursed Loan commitments	10,498.21	6,290.28

Note:

1. The amount included above represents the best possible estimates arrived at on the basis of available information.

2. The Group has a process whereby periodically all long-term contracts are assessed for material foreseeable losses. At the year end, the group has reviewed and ensured that adequate provisions (if any) required under any law / accounting standard / RBI regulation for material foreseeable losses on such long-term contracts has been made in the books of account.

38. Employee Benefit:

In accordance terms of the Indian Accounting Standard 19 'Employee Benefits', the requisite disclosures are as follows:

i) Defined Contribution Plans:

The Company recognized charges of INR 701.55 lakhs (March 31, 2023: INR 506.48 lakh) for Provident fund contributions.

ii) Compensated absences

The actuarially determined liability for compensated absences of accumulated leaves of the employees of the Group is given below:

Particulars	As at March 31, 2024	As at March 31, 2023
Assumptions:		
Discount rate	7.17%	7.22%
Salary escalation rate	5.00%	5.00%
Rate of Employee Turnover	For service 4 years and below 25.00% p.a. & For service 5 years and above 8.00% p.a	For service 4 years and below 25.00% p.a. & For service 5 years and above 8.00% p.a

Discount rate: The discount rate is based on the prevailing market yields of Indian Government Securities as at the balance sheet date for the estimated term of the obligations.

iii) Defined Benefit Gratuity Plans:

Every employee who will complete five years or more of service gets a gratuity on departure at 15 days salary (last drawn) for each completed year of service. The Group recognized charges of INR 110.23 lakhs (March 31, 2023: INR 51.89 lakh) for Gratuity Fund. The same is payable at the time of separation from the Company or retirement, whichever is earlier.

Assumptions	For the year ended March 31, 2024	For the year ended March 31, 2023
Discount rate	7.17%	7.22%
Salary escalation rate	5.00%	5.00%
Rate of return on plan assets	NA	NA
Rate of Employee Turnover	For service 4 years and below 25.00% p.a. & For service 5 years and above 8.00% p.a	For service 4 years and below 25.00% p.a. & For service 5 years and above 8.00% p.a
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

38. Employee Benefit (continued)

Table showing change in the present value of projected benefit obligation

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of Benefit obligation at the beginning of the year (Unfunded)	136.13	50.67
Interest cost	9.94	3.25
Current service cost	100.15	48.64
Liability transferred out/ Divestment	-	-
Actuarial (Gains) on Obligations - Due to Change in Demographic Assumptions	-	-
Actuarial (Gains) on Obligations - Due to Change in Financial Assumptions	3.19	(12.43)
Actuarial Losses on Obligations - Due to Experience	32.99	46.00
Benefits paid	-	-
Present value of obligation as at the end of the year (Unfunded)	**282.40**	**136.14**

Amount recognized in the Balance Sheet

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of benefit obligation at the end of the year	(282.40)	(136.14)
Fair value of plan assets at the end of the year	-	-
Funded Status (Deficit)	(282.40)	(136.14)
Net (Liability)/Asset Recognized in the Balance Sheet	**(282.40)**	**(136.14)**

Expenses recognized in the Statement of Profit and Loss

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current service cost	100.15	48.64
Net Interest cost	9.94	3.25
Amount included in employee benefit expenses	**110.09**	**51.89**

Expenses recognized in the Other comprehensive income (OCI)

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Actuarial Losses on obligation for the year	36.18	33.58
Net Expense for the year recognized in OCI	**36.18**	**33.58**

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors

Balance sheet reconciliation

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening net liability	**136.14**	**50.67**
Expenses recognized in Statement of Profit and Loss	110.09	51.89
Expenses recognized in OCI	36.18	33.58
Net (Liability) Transfer Out	-	-
Net liability recognized in the Balance Sheet	**282.40**	**136.14**

Cash Flow Projection
Maturity analysis of the benefit payments: from the employer

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Projected benefits payable in future years from the date of reporting		
1st Following Year	3.07	0.71
2nd Following Year	11.42	0.81
3rd Following Year	19.42	6.89
4th Following Year	26.03	12.05
5th Following Year	30.11	15.48
Sum of Years 6 to 10	138.35	69.86
Sum of Years 11 and above	401.45	214.80

38. Employee Benefit (continued)

Sensitivity analysis

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Projected benefit obligation on current assumptions	**282.40**	**136.14**
Delta effect of +1% change in rate of discounting	(23.82)	(12.17)
Delta effect of -1% change in rate of discounting	27.53	14.08
Delta effect of +1% change in rate of salary increase	24.99	13.47
Delta effect of -1% change in rate of salary increase	(22.67)	(12.27)
Delta effect of +1% change in rate of employee turnover	(3.59)	(3.10)
Delta effect of -1% change in rate of employee turnover	3.01	2.85

Qualitative disclosures

Gratuity is a defined benefit plan and group is exposed to the following risks:

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision.

Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase

in the salary of the members more than assumed level will increase the plan's liability.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Group has to manage pay-out based on pay as you go basis from own funds.

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

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39. Employee stock option plan

In accordance with the resolution approved by the Shareholders on January 24, 2023, the Group has reserved share, for issue to employees through Protium Finance Employee Stock Option Plan I(ESOP Plan I). Under the terms of ESOP Plan I Company may issue stock option to the employees of the Company each of which is convertible into one equity share.

As on March 31, 2024

Grant date	Exercise price (Rs)	Options granted	Options vested and exercisable	Options unvested	Options exercised	Options cancelled/Lapsed	Options outstanding
15-Apr-23	166	19,12,650	-	19,12,650	-	-	19,12,650
15-May-23	166	10,15,648	-	10,15,648	-	97,590	9,18,058
Total		**29,28,298**	**-**	**29,28,298**	**-**	**-**	**28,30,708**

As on March 31, 2023 Nil

Weighted average fair value of stock options granted during the year is as follows:

Particulars	FY 2024		FY 2023
Grant date	15-Apr-23	15-May-23	Nil
No. of options granted	19,12,650	10,15,648	Nil
Weighted average fair value (Rs)	219.79	223.24	Nil

Following table depicts range of exercise prices and weighted average remaining contractual life

As on March 31, 2024

For all grants	No. of options	Range of exercise prices (Rs)	Weighted average exercise price (D)	Weighted average remaining contractual life (years)
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	29,28,298	166	166	4.34
Cancelled/Lapsed during the year	97,590	166	166	NA
Exercised during the year	-	-	-	-
Outstanding at the end of the year	28,30,708	166	166	3.35
Exercisable at the end of the year	-	-	-	-

As on March 31, 2023 Nil

Method used for accounting for share based payment plan

The Group has used the fair value method to account for the compensation cost of stock options to employees. The fair value of options used are estimated on the date of grant using the Black – Scholes Model. The key assumptions used in Black – Scholes Model for calculating fair value as on the date of respective grants are:

Grant date	Employee Type	Risk Free interest rate	Expected life(In years)	Expected volatility	Dividend yield	Price of the underlying share in the market at the time of the option grant (Rs)*	Options granted	Vesting period(In years)
15-Apr-23	A1	7.05%	3.75	25%	0%	166	12,04,820	3
15-Apr-23	A2	7.05%	4.25	25%	0%	166	3,76,505	4
15-Apr-23	A3	7.07%	5	24%	0%	166	3,31,325	5
15-May-23	S1	6.96%	4.1	25%	0%	166	66,264	4
15-May-23	S2	6.96%	4.7	25%	0%	166	1,50,600	4
15-May-23	S3	6.96%	5.5	24%	0%	166	1,29,516	5
15-May-23	S1 Others	6.96%	4.1	25%	0%	166	3,08,429	3
15-May-23	S2 Others	6.96%	4.5	24%	0%	166	2,57,225	3
15-May-23	S3 Others	6.96%	5	24%	0%	166	1,03,614	4

For the year ended 31 March 2024, the Group has accounted expense of Rs 439.66 Lakhs as employee benefit expenses on the aforesaid employee stock option plan (Previous year Nil).

40. Expenditure towards corporate social responsibility as per Section 135 of the Companies Act, 2013 (read with schedule VII thereof)

a. Gross amount required to be spent by the Group during the year – Rs. 67.48 lakhs (Previous Year Rs. 6.26 lakhs).

b. The details of amount spent in respective year towards CSR as follows: (₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Construction/ acquisition of asset:		
Amount required to be spent by the Group during the year	-	-
Shortfall of earlier year brought forward.	-	-
Amount spent	-	-
Amount unpaid / provision/ Shortfall [1] carried forward	-	-
On purpose other than above:		
Amount required to be spent by the Group during the year	67.48	6.26
Shortfall of earlier year brought forward.	-	-
Amount spent	67.80	6.26
Amount unpaid / provision/ Shortfall[1] carried forward	-	-

Notes:

1. The Group has contributed to the Cuddles Foundation which supports children fighting cancer by providing nutrition supplements, in-meal supplements, ration bundles and care giver induction kits. The program was implemented in five (5) hospitals located at Kolkata, Mumbai and Delhi . There is no unspent amount carried forward to next year.

41. Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"

(a) Current and Non-current maturity: (₹ in lakhs)

Particulars	As at March 31, 2024			As at March 31, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and Cash Equivalents	90,023.10	-	90,023.10	31,900.56	-	31,900.56
Bank balances other than cash and cash equivalents	42,185.73	268.37	42,454.10	1,764.78	-	1,764.78
Trade Receivables	992.23	-	992.23	317.55	-	317.55
Loans	97,380.21	2,25,991.16	3,23,371.37	65,779.79	1,71,125.23	2,36,905.02
Investments	26,102.45	3,900.19	30,002.64	3,553.71	323.26	3,876.98
Other Financial assets	12,756.01	11,142.31	23,898.32	4,980.31	4,428.86	9,409.17
Sub total	**2,69,439.72**	**2,41,302.02**	**5,10,741.76**	**1,08,296.71**	**1,75,877.36**	**2,84,174.06**
Non-financial assets						
Current tax assets (Net)	-	1,418.58	1,418.58	-	1,343.07	1,343.07
Deferred tax assets (Net)	-	6.57	6.57	-	3.72	3.72
Property Plant and Equipment	-	3,093.13	3,093.13	-	1,487.30	1,487.30
Capital work-in-progress	-	-	-	389.59	-	389.59
Intangible Assets under development	111.06	-	111.06	277.93	-	277.93
Intangible Assets	-	3,271.26	3,271.26	-	2,973.31	2,973.31
Other Non Financial assets	2,052.87	-	2,052.87	1,408.14	-	1,408.14
Sub total	**2,163.93**	**7,789.54**	**9,953.47**	**2,075.66**	**5,807.40**	**7,883.06**
Total assets	**2,71,603.65**	**2,49,091.56**	**5,20,695.23**	**1,10,372.37**	**1,81,684.76**	**2,92,057.12**
LIABILITIES						
Financial liabilities						
Derivative financial instrument	-	35.04	35.04	-	-	-
Trade Payables	2,398.15	-	2,398.15	392.37	-	392.37
Debt Securities	25,032.83	25,822.49	50,855.32	6,432.19	7,693.16	14,125.35
Borrowings (Other than Debt Securities)	84,283.10	1,33,024.40	2,17,307.50	44,973.40	59,150.62	1,04,124.02
Other financial liabilities	13,071.60	1,137.83	14,209.43	30,403.83	231.68	30,635.51
Sub total	**1,24,785.69**	**1,60,019.76**	**2,84,805.44**	**82,201.79**	**67,075.46**	**1,49,277.25**
Non-financial liabilities						
Provisions	54.97	278.62	333.59	28.24	138.71	166.95
Deferred Tax Liabilities (net)	-	3,918.98	3,918.98	-	1,252.22	1,252.22
Other non-financial liablities	1,256.98	1,974.23	3,231.21	2,465.59	6,316.93	8,782.52
Sub total	**1,311.95**	**6,171.83**	**7,483.78**	**2,493.83**	**7,707.86**	**10,201.70**
Total liabilities	**1,26,097.64**	**1,66,191.59**	**2,92,289.22**	**84,695.62**	**74,783.32**	**1,59,478.95**

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(b) Financing arrangement

The Group had access to the following undrawn borrowing facilities at the end of reporting period

(₹ in lakhs)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Undrawn backup lines	11,000.00	809.35

(c) Carrying amount of collateral given

(₹ in lakhs)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Cash and cash equivalent	-	-
Bank balances other than cash equivalent	-	-
Investments	-	-
Loan and advances	2,51,729.07	1,35,240.35

(d) Financial assets are transferred but not derecognised in their entirety :

(i) Securitisation

(₹ in lakhs)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Carrying amount of assets	38,880.03	9,256.18
Carrying amount of associated Liabilities	40,263.02	9,101.09

(ii) Assignment and Colending

The Group has sold some loans (measured at amortised cost) by way of direct bilateral assignment and colending, as a source of finance.

As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the buyer, the assets have been de-recognised from the Group's balance sheet.

The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain/ (loss) on derecognition, per type of asset.

(₹ in lakhs)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Carrying amount of de-recognised financial asset	1,71,104.44	49,206.15
Carrying amount of retained asset at amortised cost	46,835.99	10,994.04
Net gain on sale of the de-recognised financial asset*	10,643.26	6,336.79

*It represents net gain on derecognition of financial asset for the year ended March 31, 2024 and March 31, 2023

42. Capital

The Group actively manages its capital base to cover risks inherent to its business and meets the capital adequacy requirements of the regulator - Reserve Bank of India. The adequacy of the Group's capital is monitored using, among other measures, the regulations issued by RBI.

(i) Capital management

Objective
The Group's objective is to maintain appropriate levels of capital to support its business strategy taking into account the regulatory, economic and commercial environment. The Group aims to maintain a strong capital base to support the risks inherent to its business and its growth strategy. The Group endeavors to maintain a higher capital base than the mandated regulatory capital at all times.

Planning
The Group's assessment of capital requirement is aligned to its planned growth which forms part of an annual operating plan which is approved by the Board and also a long range strategy. These growth plans are aligned to assessment of risks- which include credit, liquidity and interest rate.

The Group monitors its capital adequacy ratio (CRAR) on a monthly basis through its assets liability management committee (ALCO).

The Group maintains its capital structure in line with the economic conditions and the risk characteristics of its activities and the board reviews the capital position on a regular basis.
The Group's assessment of capital requirement is aligned to its planned growth which forms part of an annual operating plan which is approved by the Board and also a long range strategy. These growth plans are aligned to assessment of risks- which include credit, liquidity and interest rate.

Gearing ratio: (₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Debt	2,68,162.82	1,18,249.37
Total Equity	2,28,406.01	1,32,578.17
Debt to Equity Ratio (in times)	**1.17**	**0.89**

(ii) Regulatory Capital
(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Tier I Capital	2,03,899.44	1,27,893.33
Tier II Capital	-	1,200.66
Total Capital	**2,03,899.44**	**1,29,093.99**
Total Risk weighted assets	**3,52,404.18**	**2,56,642.06**
Tier I CRAR	57.86%	49.83%
Tier II CRAR	0.00%	0.47%
Total capital	**57.86%**	**50.30%**

43. Risk Management framework

While risk is inherent in the Group's activities, it is managed through an integrated risk management framework, including ongoing identification, measurement and monitoring, subject to risk limits and other controls.

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles.

The Risk Committee has the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limits. The Risk Committee is responsible for managing risk decisions and monitoring risk levels and reports to the Board.

The Group's risks are generally categorized in the following risk types:
a) Credit risk
b) Liquidity risk
c) Market risk
d) Operational risk
e) Foreign currency risk

a) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's Trade receivables and Loans.The Group has adopted a policy of dealing with creditworthy counterparties and obtains sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. In case the loans are to be restructured, similar credit assessment process is followed by the Group.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The Group manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties/Groups (Single Borrowing Limit/Group Borrowing Limit) and for industry concentrations, and by monitoring exposures in relation to such limits.

Credit quality of a customer is assessed based on its credit worthiness and historical dealings with the Group and market intelligence. Outstanding customer receivables are regularly monitored.The credit quality review process aims to allow the group to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

Financial assets measured on a collective basis

The group splits its exposure into smaller homogeneous portfolios, based on shared credit risk characteristics, as described below in the following order:
- Secured/unsecured i.e. based on whether the loans are secured
- Nature of security i.e. the nature of the security if the loans are determined to be secured
- Nature of loan i.e. based on the nature of loan

Significant increase in credit risk
The group considers an exposure to have significantly increased in credit risk when the borrower crosses 30 DPD but is within 90 DPD.

Impairment assessment
The group considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower crosses 90 days past due on its contractual payments. Further, the borrower is retained in Stage 3 (credit-impaired) till all the overdue amounts are repaid i.e borrower becomes 0 days past due on its contractual payments.

Exposure at default
The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation.

Loss given default
The credit risk assessment is based on a standardised LGD assessment framework that incorporates the probability of default and subsequent recoveries, discounted.

Current economic data and forward-looking economic forecasts and scenarios are used in order to determine the Ind AS 109 LGD rate. The Group uses data obtained from third party sources and combines such data with inputs to the Group's ECL models including determining the weights attributable to the multiple scenarios.

Credit quality of assets

i) The table below shows credit quality and maximum exposure to credit risk based on year-end stage classification. The amounts presented are gross of Impairment loss allowance.

(₹ in lakhs)

Sr No	Particulars	Loss Allowance measured at 12 month ECL (Stage 1)	Loss Allowance measured at life time ECL	
			Financial Assets for which credit risk has increased significantly and credit not impaired (Stage2)	Financial Assets for which credit risk has increased significantly and credit impaired (Stage 3)
I	**As on March 31, 2023**			
	Estimated gross carrying amount at default	2,36,787.23	1,898.04	1,576.70
	Expected credit Loss	(2,115.74)	(435.85)	(805.36)
	Carrying amount net of Impairment Provision	**2,34,671.49**	**1,462.19**	**771.34**
II	**As on March 31, 2024**			
	Estimated gross carrying amount at default	3,19,724.13	3,511.19	5,402.71
	Expected credit Loss	(1,901.42)	(887.20)	(2,478.03)
	Carrying amount net of Impairment Provision	**3,17,822.71**	**2,623.99**	**2,924.68**

43. Risk Management framework (continued)

ii.) An analysis of changes in the gross carrying amount and corresponding ECL allowances in relations to loans is as under:

(₹ in lakhs)

Sr No	Particulars	Stage 1	Stage 2	Stage 3	Total
I	**Gross Carrying amount balance as at March 31, 2022**	**1,42,234.72**	**1,821.16**	**225.83**	**1,44,281.72**
	-Transfers to Stage 1	36.77	(26.10)	(10.67)	**-**
	-Transfers to Stage 2	(1,427.71)	1,429.10	(1.39)	**-**
	-Transfers to Stage 3	(3,804.91)	(1,010.58)	4,815.49	**-**
	-Loans that have been de recognised during the period	-	-	-	**-**
	New Loans originated during the year	2,30,025.93	1,177.11	1,300.68	**2,32,503.72**
	Written offs	-	-	(1,793.97)	**(1,793.97)**
	Remeasurement of net exposure	-	-	-	**-**
	Matured or repaid during the year	(1,30,277.57)	(1,492.65)	(2,959.27)	**(1,34,729.49)**
II	**Gross Carrying amount balance as at March 31, 2023**	**2,36,787.23**	**1,898.04**	**1,576.70**	**2,40,261.97**
	-Transfers to Stage 1	274.54	(205.49)	(69.05)	**-**
	-Transfers to Stage 2	(2,915.26)	2,915.29	(0.03)	**-**
	-Transfers to Stage 3	(7,367.30)	(1,043.66)	8,410.96	**-**
	-Loans that have been de recognised during the period	(1,60,042.61)	-	-	**(1,60,042.61)**
	New Loans originated during the year	3,72,950.48	2,136.68	2,518.10	**3,77,605.26**
	Written offs	-	-	(4,566.22)	**(4,566.22)**
	Remeasurement of net exposure	-	-	-	**-**
	Matured or repaid during the year	(1,19,962.94)	(2,189.67)	(2,467.75)	**(1,24,620.37)**
III	**Gross Carrying amount balance as at March 31, 2024**	**3,19,724.13**	**3,511.19**	**5,402.71**	**3,28,638.03**

(₹ in lakhs)

Sr No	Particulars	Stage 1	Stage 2	Stage 3	Total
I	**ECL allowance amount balance as at March 31, 2022**	**767.92**	**167.16**	**166.61**	**1,101.69**
	-Transfers to Stage 1	1.13	(1.13)	-	-
	-Transfers to Stage 2	(15.23)	15.23	-	-
	-Transfers to Stage 3	(24.53)	(148.44)	172.97	-
	-Loans that have been de recognised during the period	-	-	-	-
	New Loans originated during the year	1,606.87	235.49	338.98	2,181.34
	Written offs	-	-	(1,166.08)	(1,166.08)
	Remeasurement of net exposure	540.58	307.63	1,603.58	2,451.79
	Matured or repaid during the year	(761.00)	(140.09)	(310.70)	(1,211.79)
II	**ECL allowance amount balance as at March 31, 2023**	**2,115.74**	**435.85**	**805.36**	**3,356.95**
	-Transfers to Stage 1	63.33	(32.26)	(31.07)	-
	-Transfers to Stage 2	(44.48)	44.48	-	-
	-Transfers to Stage 3	(172.53)	(299.07)	471.60	-
	-Loans that have been de recognised during the period	(944.25)	-	-	(944.25)
	New Loans originated during the year	2,218.80	539.38	1,154.05	3,912.22
	Written offs	-	-	(2,968.04)	(2,968.04)
	Remeasurement of net exposure	(105.37)	296.40	3,493.38	3,684.41
	Matured or repaid during the year	(1,229.81)	(97.58)	(447.25)	(1,774.63)
III	**ECL allowance amount balance as at March 31, 2024**	**1,901.43**	**887.20**	**2,478.02**	**5,266.65**

Analysis of risk concentration

The following table shows risk concentration of the Group's loans basis risk exposure into smaller homogeneous portfolios, based on shared credit risk characteristics as under:

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Carrying value of Loans		
LAP	1,82,762.31	1,43,034.42
Business Loan	68,150.16	68,267.92
Digital Lending business	48,248.97	25,575.79
Others	29,476.58	3,383.84
Total	**3,28,638.02**	**2,40,261.97**

43. Risk Management framework (continued)

b) Liquidity risk

Liquidity risk arises because of the possibility that the Group might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. To limit this risk, management has arranged for diversified funding sources, and adopted a policy of managing assets with liquidity in mind and monitoring future cash flows and liquidity on a daily basis.

Maturity analysis of financial assets and liabilities

The table below summarises the maturity profile of the undiscounted cash flows of the Group's financial assets and liabilities as at March 31, 2024:-

(₹ in lakhs)

Particulars	Carrying Amount	Not later than one month	Later than one month and not later than three months	Later than three months and not later than one year	Later than one year and not later than five years	Later than five years
ASSETS						
Financial assets						
Cash and Cash Equivalents	90,023.10	77,290.36	12,732.74	-	-	-
Bank balances other than cash and cash equivalents	42,454.10	405.27	22,375.48	19,404.98	268.37	-
Trade Receivables	992.23	992.23	-	-	-	-
Loans	3,23,371.37	14,060.39	18,389.90	64,929.92	1,38,230.97	87,760.19
Investments	30,002.64	17,953.35	7,945.91	203.19	3,852.59	47.60
Other Financial assets	23,898.32	1,564.52	3,939.62	7,251.87	10,014.86	1,127.45
Sub total	**5,10,741.76**	**1,12,266.12**	**65,383.65**	**91,789.96**	**1,52,366.78**	**88,935.25**
Non-financial assets						
Current tax assets (Net)	1,418.58	-	-	-	1,418.58	-
Deferred tax assets (Net)	6.57	-	-	-	-	6.57
Property Plant and Equipment	3,093.13	-	-	-	-	3,093.13
Capital work-in-progress	-	-	-	-	-	-
Intangible Assets under development	111.06	-	-	111.06	-	-
Goodwill	-	-	-	-	-	-
Intangible Assets	3,271.26	-	-	-	-	3,271.26
Other Non Financial assets	2,052.87	943.49	340.67	768.71	-	-
Sub total	**9,953.47**	**943.49**	**340.67**	**879.77**	**1,418.58**	**6,370.96**
Total assets	**5,20,695.23**	**1,13,209.61**	**65,724.32**	**92,669.73**	**1,53,785.36**	**95,306.21**
LIABILITIES						
Financial liabilities						
Derivative financial instrument	35.04	-	-	-	35.04	-
Trade Payables	2,398.15	2,398.15	-	-	-	-
Debt Securities	50,855.32	3,988.40	2,905.51	18,138.92	23,798.56	2,023.93
Borrowings (Other than Debt Securities)	2,17,307.50	15,274.42	14,212.37	54,796.31	1,29,968.46	3,055.94
Other financial liabilities	14,209.43	5,752.21	6,027.30	1,292.10	1,137.83	-
Sub total	**2,84,805.44**	**27,413.18**	**23,145.17**	**74,227.33**	**1,54,939.89**	**5,079.87**
Non-financial liabilities						
Provisions	333.59	-	-	54.97	224.98	53.64
Deferred Tax Liabilities (net)	3,918.98	-	-	-	-	3,918.98
Other non-financial liablities	3,231.21	560.88	153.64	542.46	1,154.87	819.36
Sub total	**7,483.78**	**560.88**	**153.64**	**597.43**	**1,379.85**	**4,791.98**
Total liabilities	**2,92,289.22**	**27,974.06**	**23,298.82**	**74,824.77**	**1,56,319.73**	**9,871.84**

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The table below summarises the maturity profile of the undiscounted cash flows of the Group's financial assets and liabilities as at March 31, 2023:-

(₹ in lakhs)

Particulars	Carrying Amount	Not later than one month	Later than one month and not later than three months	Later than three months and not later than one year	Later than one year and not later than five years	Later than five years
ASSETS						
Financial assets						
Cash and Cash Equivalents	31,900.56	31,900.56	-	-	-	-
Bank balances other than cash and cash equivalents	1,764.78	27.24	416.58	1,320.97	-	-
Trade Receivables	317.55	-	239.07	78.49	-	-
Loans	2,36,905.02	7,565.76	13,786.70	44,427.33	92,506.68	78,618.55
Investments	3,876.98	3,524.13	29.58	-	323.26	-
Other Financial assets	9,409.17	271.62	1,675.48	3,033.21	4,180.35	248.51
Sub total	**2,84,174.06**	**43,289.31**	**16,147.41**	**48,859.99**	**97,010.29**	**78,867.06**
Non-financial assets						
Current tax assets (Net)	1,343.07	-	-	-	1,343.07	-
Deferred tax assets (Net)	3.72	-	-	-	-	3.72
Property Plant and Equipment	1,487.30	-	-	-	-	1,487.30
Capital work-in-progress	389.59	-	389.59	-	-	-
Intangible Assets under development	277.93	-	-	277.93	-	-
Intangible Assets	2,973.31	-	-	-	-	2,973.31
Other Non Financial assets	1,408.14	235.25	389.66	783.23	-	-
Sub total	**7,883.06**	**235.25**	**779.25**	**1,061.16**	**1,343.07**	**4,464.33**
Total assets	**2,92,057.12**	**43,524.56**	**16,926.66**	**49,921.15**	**98,353.36**	**83,331.39**
LIABILITIES						
Financial liabilities						
Derivative financial instrument						
Trade Payables	392.37	357.05	35.32	-	-	-
Debt Securities	14,125.35	617.81	1,184.87	4,629.51	7,693.16	-
Borrowings (Other than Debt Securities)	1,04,124.02	2,732.54	8,377.09	33,863.77	58,518.31	632.31
Other financial liabilities	30,635.51	20,856.65	8,562.15	985.03	231.68	-
Sub total	**1,49,277.25**	**24,564.05**	**18,159.43**	**39,478.31**	**66,443.15**	**632.31**
Non-financial liabilities						
Provisions	166.95	-	-	28.24	112.90	25.81
Deferred Tax Liabilities (net)	1,252.23	-	-	-	-	1,252.22
Other non-financial liablities	8,782.52	2,232.13	7.48	225.99	2,456.44	3,860.48
Sub total	**10,201.70**	**2,232.13**	**7.48**	**254.23**	**2,569.34**	**5,138.51**
Total liabilities	**1,59,478.95**	**26,796.18**	**18,166.91**	**39,732.54**	**69,012.49**	**5,770.82**

The table below summarises the maturity profile of the undiscounted contractual cashflow of the Group's financial liabilities

(₹ in lakhs)

Particulars	As at March 31, 2024			As at March 31, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Debt Securities	28,609.49	28,317.55	56,927.04	6,876.83	8,691.25	15,568.09
Borrowings (Other than Debt Securities)	1,01,341.78	1,52,902.13	2,54,243.91	53,930.13	64,783.90	1,18,714.02
Trade payable	2,398.15	-	2,398.15	392.37	-	392.37
Other financial liabilities	13,071.60	1,137.83	14,209.43	30,403.83	231.68	30,635.51
Total	**1,45,421.02**	**1,82,357.51**	**3,27,778.53**	**91,603.16**	**73,706.83**	**1,65,309.99**

43 Risk Management framework (continued)

c) Market risk

Market Risk is the possibility of loss arising from changes in the value of a financial instrument as a result of changes in market variables such as interest rates, exchange rates and other asset prices. The Group's exposure to market risk is a function of asset liability management and interest rate sensitivity assessment. The Group is exposed to interest rate risk and liquidity risk, if the same is not managed properly. The Group continuously monitors these risks and manages them through appropriate risk limits. The Asset Liability Management Committee ('ALCO') reviews market related trends and risks and adopts various strategies related to assets and liabilities, in line with the Group's risk management framework.

Exposure to interest rate risk

The group's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Financial assets		
Fixed-rate instruments	1,32,246.91	92,714.33
Floating-rate instruments	1,91,020.68	1,44,854.58
Sub- Total	**3,23,267.59**	**2,37,568.91**
Add: Accrued / Overdue Interest	5,370.44	2,693.07
Less: Unamortized cost / Impairment loss allowance	(5,266.66)	(3,356.95)
Total	**3,23,371.37**	**2,36,905.02**
Financial Liabilities		
Fixed-rate instruments	72,570.64	10,976.09
Floating-rate instruments	1,96,043.00	1,07,887.74
Sub- Total	**2,68,613.64**	**1,18,863.83**
Add: Accrued Interest	1,612.78	245.41
Less: Unamortized cost	(2,063.60)	(859.87)
Total	**2,68,162.82**	**1,18,249.37**

Fair value sensitivity analysis for Floating-rate instruments

The sensitivity analysis below have been determined based on exposure to the interest rates for financial instruments at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in case of instruments that have floating rates.

If interest rates had been 100 basis points higher or lower and all other variables were constant, the Group's profit before tax would have changed by the following:

(₹ in lakhs)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	100 bps higher	100 bps lower	100 bps higher	100 bps lower
Floating rate loans	2,481.72	(2,481.72)	1,285.26	(1,285.26)
Floating rate borrowings	(1,361.38)	1,361.38	(583.52)	583.52
Total	**1,120.34**	**(1,120.34)**	**701.74**	**(701.74)**

d) Operational risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events. The operational risks of the Group are managed through comprehensive internal control systems and procedures. Failure of managing operational risk might lead to legal / regulatory implications due to non-compliance and lead to financial loss due to control failures. While it is not practical to eliminate all the operational risk, the Group has put in place adequate control framework by way of segregation of duties, well defined process, staff training, maker and checker process, authorisation and clear reporting structure. The effectiveness of control framework is assessed by internal by Risk Management committee on a periodic basis.

e) Foreign currency risk

In the normal course of business, the Group does not deal in foreign exchange in the significant way. Any significant foreign exchange borrowings is fully hedged to safeguard against exchange rate risk.

The Group's exposure of foreign currency risk at the end of the reporting period as follow

Particulars	As at March 31, 2024	As at March 31, 2023
Hedged		
ECB	USD 33,000,000	-
Derivative financial instrument	USD 33,000,000	-

44. Fair Value measurement

44.1 Valuation principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., 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:
Level 1 – valuation technique using quoted market price: financial instruments with quoted prices for identical instruments in active markets that group can access at the measurement date.

Level 2 – valuation technique using observable inputs: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.

Level 3 – valuation technique with significant unobservable inputs: Those that include one or more unobservable input that is significant to the measurement as whole.

44.2 Valuation governance framework

The Group's fair value methodology and the governance over its models includes a number of controls and other procedures to ensure appropriate safeguards are in place to ensure its quality and adequacy. All new product initiatives (including their valuation methodologies) are subject to approvals by various functions of the Group including the risk and finance functions.

Where fair values are determined by reference to externally quoted prices or observable pricing inputs to models, independent price determination or validation is used. For inactive markets, Group sources alternative market information, with greater weight given to information that is considered to be more relevant and reliable.
The responsibility of ongoing measurement resides with the business and product line divisions. However finance department is also responsible for establishing procedures governing valuation and ensuring fair values are in compliance with accounting standards.

44.3 There have been no transfers between levels during the period ended March 31, 2024 and year ended March 31, 2023.

44.4 Valuation methodologies adopted Fair values of financial assets, other than those which are subsequently measured at amortised cost, have been arrived at as under:
• Fair values of investments held under FVTPL have been determined under level 1 using quoted market prices of the underlying instruments;
• Fair values of financial instruments designated under amortised cost have been measured under level 3 at fair value based on a discounted cash flow model.

44.5 Fair value of financial instruments not measured at fair value:

The table below is a comparison, by class, of the carrying amounts and fair values of the Group'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

As at March 31, 2024 (₹ in lakhs)

Particulars	Carrying Value (Amortised Cost)	Fair value measurement using			Total
		Level 1	Level 2	Level 3	
Financial Assets					
Loans	3,23,371.37	-	-	3,23,371.37	3,23,371.37
Other financial assets	23,898.32	-	-	23,898.32	23,898.32
Investment and Financial Receivables					-
Investment	30,002.64	26,150.57	-	3,852.07	30,002.64
Total Financial Assets	**3,77,272.33**	**26,150.57**	**-**	**3,51,121.76**	**3,77,272.33**
Financial Liabilities					
Debt Securities	50,855.32	-	-	50,855.32	50,855.32
Borrowings	2,17,307.50	-	-	2,17,307.50	2,17,307.50
Other financial liabilities	14,209.43	-	-	14,209.43	14,209.43
Total Financial Liabilities	**2,82,372.25**	**-**	**-**	**2,82,372.25**	**2,82,372.25**

As at March 31, 2023 (₹ in lakhs)

Particulars	Carrying Value (Amortised Cost)	Fair value measurement using			Total
		Level 1	Level 2	Level 3	
Financial Assets					
Loans	2,36,905.02	-	-	2,36,905.02	2,36,905.02
Other financial assets	9,409.17	-	-	9,409.17	9,409.17
Investment and Financial Receivables					-
Investment	3,876.98	3,553.99	-	322.99	3,876.98
Total Financial Assets	**2,50,191.17**	**3,553.99**	**-**	**2,46,637.18**	**2,50,191.17**
Financial Liabilities					
Debt Securities	14,125.35	-	-	14,125.35	14,125.35
Borrowings	1,04,124.02	-	-	1,04,124.02	1,04,124.02
Other financial liabilities	30,635.51	-	-	30,635.51	30,635.51
Total Financial Liabilities	**1,48,884.88**	**-**	**-**	**1,48,884.88**	**1,48,884.88**

The carrying value of assets and liabilities at amortised cost represents a reasonable approximation of fair value.

45. Lease Accounting

The Group has entered into leasing arrangements for premises. Right of Use Assets ("ROU") has been included under 'Property, Plant and Equipment' and Lease Liability has been included under 'Other Financial Liabilities' in the Balance Sheet.

45.1 Following are the changes in the carrying value of right of use assets (ROU):

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the period	639.31	**577.08**
Addition during the period	2,347.68	451.88
Disposals during the period	(288.39)	-
Depreciation for the period	(831.81)	(389.64)
Balance as at the end of the period	**1,866.79**	**639.31**

45.2 The following is the movement in lease liabilities:

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the period	**673.19**	**596.72**
Addition during the period	2,347.68	451.88
Finance cost accrued during the period	181.25	61.44
Payment of Lease liabilities made during the period	(952.28)	(436.85)
Disposal during the period	(303.04)	-
Balance as at the end of the period	**1,946.80**	**673.19**

45.3 The table below provides details regarding the contractual maturities of lease liabilities as of march, 2024 on an undiscounted basis:

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Less than one year	1,036.94	479.61
Between one and five years	1,214.06	242.65
More than five years	-	-
Total	**2,251.00**	**722.27**

45.4 Expenses recognised in the statement of Profit and Loss:

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Depreciation expense on right-of-use assets (Refer Note 11)	831.81	389.64
Interest expense on lease liabilities (Refer Note 26)	181.25	61.44
Expense relating to short-term leases	388.03	320.20
Expense relating to leases of low value assets	-	-

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

45.5 Amount recognised in the statement of Cash flow:

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Total cash outflow for leases	952.28	436.85

46. Disclosure of transactions with related parties as required by Ind AS 24:

a. List of related parties and relationship:

Name of related parties by whom control is exercised (Holding company)	Consilience Capital Management
Subsidiary Company	Protium Business Services Private Limited Shibui Technologies Private Limited (Incorporated March 24, 2023)
Key Management Personnel (KMP)	Mr. Peeyush Misra - (Managing Director & CEO) Mr. Peruvemba Ramachandran Seshadri - Independent Director (resigned w.e.f. 13-09-2023) Mr. Gurvinder Juneja - Whole Time Director (resigned w.e.f. May 06, 2022) Mr. Parveen Kumar Gupta - Independent Director Ms. Anuradha Rao - Independent Director (appointed wef 29-08-2023) Ms. Dakshita Das - Independent Director (appointed wef 16.02.2024) Mr. Sitaram Kunte - Independent Director (appointed wef 16.02.2024)
Key Management Personnel (KMP) in Subsidiary Companies	Mr. Amit Gupta (Appointed w.e.f 29.02.2024) - Nominee Director Mr. Yogendra Singh - Director Mr. Amit Garg - Director Mr. Padmanabhan Balasubramanian (ceased w.e.f 01.03.2024) - Director Mr. Souvik Sengupta (ceased w.e.f 08.05.2023) - Director Mr. Manish Arvind Dabir (appointed w.e.f 24.03.2023) - Director

b. Transactions with Related Parties: (₹ in lakhs)

Nature of transaction	Year	Holding Company	KMP	Other than KMP
Investment from consilience	FY 2024	5,013.55	-	-
	FY 2023	-	-	-
Conversion of CCPS into Equity	FY 2024	-	-	-
	FY 2023	7,171.13	-	-
Commission	FY 2024	-	52.32	-
	FY 2023	-	24.00	-
Sitting Fees	FY 2024	-	51.23	-
	FY 2023	-	49.00	-

Note : The remuneration to the key managerial personnel does not include the provisions made for gratuity benefits, as they are determined on an actuarial basis for the Group as a whole.

c. Related Parties Balance outstanding at year end are as follows : (₹ in lakhs)

Particulars	Year	Holding Company	KMP	Other than KMP
Other Receivables	FY 2024	-	-	-
	FY 2023	-	-	-
Other Payables	FY 2024	-	-	-
	FY 2023	-	-	-
Other Receivables	FY 2024	-	-	-
	FY 2023	-	-	-

d. Details of sitting Fees and commission paid to non executive director are as under :

Nature of transactions	Year	₹ in lakhs
Sitting Fees and Commission Paid		
Mr. Peruvemba Ramachandran Seshadri	FY 2024	26.16
	FY 2023	50.00
Mr Parveen Kumar Gupta	FY 2024	65.40
	FY 2023	23.00
Ms. Anuradha Rao	FY 2024	11.99
	FY 2023	-

Note:

1. Name of the related parties and nature of their relationships where control exists have been disclosed irrespective of whether or not there have been transactions with the company. In other cases, disclosure has been made only when there have been transactions with those parties.
2. Related parties as defined under clause 9 of the Indian Accounting Standard-24 'Related Party Disclosures' have been identified based on representations made by key managerial personnel and information available with the Company. All above transactions are in the ordinary course of business and on arms length basis.
3. Director sitting and commission including ineligible GST input for FY 2023-24.

Protium Finance Limited
(Formerly known as Growth Source Financial Technologies Limited)

Notes to the Consolidated Financial Statements

47. Additional Information as required by Paragraph 2 of the general instruction of preparation of Consolidated financial statement to Schedule III to the companies Act 2013 for the period ended March 31,2024

(₹ in lakhs)

Name of the entity in the group	Net Assets i.,e total assets - total liabilities		Share in profit or loss		Share in other comprehensive Income		Share in Total comprehensive Income	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated other comprehensive Income	Amount	As % of Consolidated Total comprehensive Income	Amount
Parent								
Protium Finance Limited	100.09%	2,28,622.23	98.73%	11,527.13	117.27%	(62.50)	98.65%	11,464.63
Subsidiary								
Protium Business Services Private Limited	0.35%	791.07	0.06%	6.86	-17.27%	9.20	0.14%	16.06
Shibui technologies Private Limited	0.01%	5.07	0.03%	4.37	-	-	0.03%	4.37
a) Adjustments arising out of consolidation	-0.45%	(1,012.35)	1.18%	136.78	-	-	1.18%	136.78
b) Non-controlling interests	-	-	-	-	-	-	-	-
Total	**100.00%**	**2,28,406.01**	**100.00%**	**11,675.13**	**100.00%**	**(53.29)**	**100.00%**	**11,621.84**

Additional Information as required by Paragraph 2 of the general instruction of preparation of Consolidated financial statement to Schedule III to the companies Act 2013 for the period ended March 31,2023

(₹ in lakhs)

Name of the entity in the group	Net Assets i.,e total assets - total liabilities		Share in profit or loss		Share in other comprehensive Income		Share in Total comprehensive Income	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated other comprehensive Income	Amount	As % of Consolidated Total comprehensive	Amount
Parent								
Protium Finance Limited	100.28%	1,32,951.68	98.40%	6,313.14	114.49%	(28.76)	98.34%	6,284.38
Subsidiary								
Protium Business Services Private Limited	0.58%	775.00	1.68%	107.62	-14.45%	3.63	1.74%	111.25
Shibui technologies Private Limited	0.00%	0.70	0.00%	0.30	0.00%	-	0.00%	(0.30)
a) Adjustments arising out of consolidation	-0.87%	(1,149.21)	-0.08%	(5.18)	-	-	-0.07%	(4.57)
b) Non-controlling interests	-	-	-	-	-	-	-	-
Total	**100.00%**	**1,32,578.17**	**100.00%**	**6,415.88**	**100.00%**	**(25.13)**	**100.00%**	**6,390.75**

48 Balance grouped under loans and advances in certain cases are subject to confirmation and reconciliation. Impact of the same, if any, shall be accounted as and when determined, which are not expected to be material.

In the opinion of the management, the loans and advances are approximately of the value stated, if realized, paid in ordinary course of business. The provision for all known liabilities are adequate and are not in excess of amount considered reasonably necessary.

49 Expenditure in foreign currency (₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Expenditure in foreign currency	**16.53**	**11.84**

50 There is no amount due and payable to micro and small suppliers registered under the Micro, Small and Medium Enterprises Development Act, 2006 at the end of the year other than as disclosed. No interest has been paid/ is payable by the Group during/for the year to these 'Suppliers' other than as disclosed. The above information takes into account only those suppliers who have submitted their registration details or has responded to the inquiries made by the Group for this purpose.

51 Utilisation of Borrowed funds and share premium :

As a part of normal lending business, the Group grants loans and advances on the basis of security/ guarantee provided by the Borrower/ co-borrower and makes investments. These transactions are part of Group's normal non-banking finance business, which is conducted ensuring adherence to all regulatory requirements.

The Group has not advanced or loaned or invested funds (either borrowed funds or any other sources or kind of funds) to any other persons or entities (Intermediaries) with the understanding that the Intermediary shall-

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

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

The Group has not received any fund from any persons or entities (Funding Party) with the understanding that the group shall

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

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

52 The Group has not traded or invested in Crypto currency or Virtual Currency during the year ended March 31, 2024 and March 31, 2023.

53 Compliance with number of layers of companies:

The Group 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,

54 Events occurring after balance sheet date - There have been no events after the reporting date that require adjustment in these consolidated financial statements.

55 Wilful Defaulter:

The Group is not a declared wilful defaulter by any bank or financial Institution or other lender, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India, during the year ended March 31, 2024 and March 31, 2023.

56 Title Deeds of Immovable Properties not held in the name of the Group

The Group does not hold any immovable property as on March 31, 2024 and March 31, 2023. All the lease agreements are duly executed in favour of the Group for properties where the Group is the lessee.

57 The Group has no pending charges or satisfaction of charges, which are required to be registered with Registrar of Companies (ROC).

58. No proceedings have been initiated or are pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

Notes to the Consolidated Financial Statements

59. The Group has not entered into any scheme of arrangement.

60. There are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

61. Previous year figures have been re-grouped / re-arranged and re-classified wherever necessary, to conform to current year's classification.

As per our report of even date attached
For Khandelwal Jain & Co
Chartered Accountants
ICAI Firm Registration Number : 105049W

Sd/-
Pankaj Jain
Partner
Membership No.: 048850

For and on behalf of the Board of Directors of
Protium Finance Limited

Sd/-
Peeyush Misra
Director
DIN: 08422699

Sd/-
Parveen Kumar Gupta
Independent Director
DIN: 02895343

Sd/-
Amit Gupta
Chief Financial Officer

Sd/-
Anshu Mohta
Company Secretary
Membership No.: A18287

Place: Mumbai
Date:30 April,2024

Place: Mumbai
Date:30 April,2024

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INDEPENDENT AUDITOR'S REPORT

To the Members of
Protium Finance Limited
(Formerly known as Growth Source Financial Technologies Limited)

Report on the Audit of Standalone financial statements

1. Opinion

We have audited the accompanying standalone Ind AS financial statements of **Protium Finance Limited (Formerly known as Growth Source Financial Technologies Limited) ('Company'),** which comprise the Standalone Balance Sheet as at March 31, 2024, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Change in Equity, the Standalone Statement of Cash Flows for the year then ended and notes to the Standalone Ind AS financial statements, including a summary of material accounting policy information and other explanatory information (hereinafter referred to as 'Standalone Ind AS financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements prepared in accordance with Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS'), gives the information required by the Act, in the manner so required and gives a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the profits (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

2. Basis for Opinion

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

3. Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matter to be communicated in our report.

Key Audit Matter	How our audit addressed the key Audit Matter
Impairment of financial assets (expected credit loss) Ind AS 109 requires the Company to provide for impairment of its financial assets using the expected credit loss ('ECL') approach involving an estimation of probability of loss on the financial assets 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 loans and advances. In the process, a significant degree of judgement has been applied by the management in respect of following matters: • The Company has grouped its loan portfolio broadly, into Loan Against property, Business Loans, Digital Lending. Loans grouped under a particular category are assumed to represent a homogeneous pool thereby expected to demonstrate similar credit characteristics. • Estimation of losses in respect of those group of loans which had no / minimal defaults in the past.	Our audit procedures included • Reviewing the Company's accounting policies for impairment of financial instruments and assessing compliances in terms of Ind AS 109. • Understanding and assessing the Company's processes and controls on measurement and recognition of impairment in the loan portfolio. • Assessing the assumptions used by the Company for grouping and staging of loan portfolio into various categories and default buckets and determining the probability-weighted default (PD) and loss-given default (LGD) rates. • Testing the operating effectiveness of the controls for staging of loans based on their past-due status. Test checking loans in Stage 1-3 to ascertain that they are allocated to the appropriate stage. We also reviewed a sample of stage 1 and Stage 2 loans to assess whether any loss indicators were present requiring them to be classified under stage 2 or 3.

Key Audit Matter	How our audit addressed the key Audit Matter
• Staging of loans and estimation of behavioral life. • Estimation of expected loss from historical observation of Company and industry. The Company has developed model that derive key assumptions used within the provision calculation such as Probability of Default (PD) and Loss Given Default (LGD). The output of this model and estimate about LGD including other information is then applied to the Exposure at Default (EAD) for the provision calculation. Considering the significance of such provisions to the overall standalone financial statement and the degree of management's judgment involved in estimation of ECL, any error or misstatement in such estimate may give rise to a material misstatement of the standalone Ind AS financial statements or omission of any disclosure required by the standards. Therefore, it is considered as a key audit matter.	• Perform sample testing to ascertain the completeness and accuracy of the input data used for determining the PD rates and agreeing the data with the underlying books of accounts and records. • Test checking of collateral security available for loans. • Testing the arithmetical accuracy of computation of ECL provision performed by the Company in spreadsheets. • Assessing the disclosures included in the standalone Ind AS financial statements with respect to such allowance / estimate in accordance with the requirements of Ind AS 109 and Ind AS 107.

Key Audit Matter	How our audit addressed the key Audit Matter
IT Systems and controls The Company's financial accounting and reporting are highly dependent on the effective working of the operating system of the Company. Due to extensive volumes and variety of transactions, the operating system needs to function, consistently and accurately, specifically with respect to following: • Interest, Fee income and other charges on Loans • Bifurcation of the Loan Portfolio based on maturity pattern • Various reports generated, including the report for Asset Classification. Our audit outcome is dependent on the effective functioning of such operating system.	We have carried out the following procedures to assess the effectiveness and adequacy of IT controls with respect to the size and nature of operations of the Company: • We obtained an understanding of the Company's IT environment and key changes, if any, during the audit period that may be relevant to the audit. • Our audit procedures included verifying, testing and reviewing operating effectiveness of the IT system by verifying the reports / returns and other financial and non-financial information generated from the system on a test check basis. • We tested the system controls for system generated reports relevant to the audit by performing audit procedures to assess the operative effectiveness of the system controls. • Reviewed System Audit report of external expert. • We have also obtained management representations wherever considered necessary.

4. Information other than the Standalone Ind AS Financial Statements and Auditor's Report thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual report but does not include the standalone Ind AS financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

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

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

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

5. Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS Financial Statements

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

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

The Board of Directors and Management is also responsible for overseeing the Company's financial Reporting process.

6. Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Ind AS financial statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

a) Identify and assess the risks of material misstatement of the standalone financial Ind AS statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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 Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

e) Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with 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.

7. Report on Other Legal and Regulatory Requirements

a) 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.

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

   i) 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.

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

   iii) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including Other Comprehensive Income, Standalone Statement of Changes in Equity and the Standalone Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   iv) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act, read with Companies (India Accounting Standards) Rules, 2015 as amended.

v) On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164 (2) of the Act.

vi) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure B**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

vii) With respect to the matter to be included in the Auditor's Report under section 197(16) of the Act, as amended.
In our opinion and as per the information, explanations given to us, the Company has complied with the provisions of section 197 of the Act.

viii) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a) The Company has disclosed the impact of the pending litigations on its financial position in its standalone Ind AS financial statement (Refer Note 37 of the standalone Ind AS financial statement)

b) The Company has made required provision for material foreseeable losses (if any) under any law or accounting standards, on long term contracts including derivative contracts;

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

d) The management has represented that to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies) including foreign entities (intermediaries) with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

e) The management has represented that to the best of its knowledge or belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company to or in any other person(s) or entity(ies) including foreign entities (funding parties) with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

f) Based on the audit procedures considered reasonable and appropriate in the circumstances carried out by us, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) and (ii) of Rule 11(e) as provided under clause (d) and (e) above contain any material misstatements.

g) The Company has not declared or paid any dividend during the year.

h) Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For KHANDELWAL JAIN & CO.
CHARTERED ACCOUNTANTS
ICAI Firm Registration No.: 105049W

Sd/-
PANKAJ JAIN
PARTNER
Membership No. 048850

Place - Mumbai
Date – April 30, 2024

UDIN – 24048850BKFXQK9068

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Annexure A to the Independent Auditor's Report

The annexure referred to in para 7(a) of the Independent Auditor's Report to the member of **Protium Finance Limited** (**Formerly known as Growth Source Financial Technologies Limited)** ('the Company') on the standalone Ind AS financial statement for the year ended March 31, 2024, we report that;

i) In respect of Company's Property, Plant & Equipment,

a) The Company is maintaining proper records showing full particulars including quantitative details and situation of its Property, Plant & Equipment including Intangible Assets.

b) The Company has a program of physical verification to cover all the items of fixed assets once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, physical verification of certain Property, Plant & Equipment was carried out during the year and no material discrepancies were reported.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no immovable properties owned by the Company. Further, the lease agreements where the Company is a lessee were duly executed in favour of the Company.

d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no revaluation has been done by the Company of its property, plant and equipment (including the right of use assets) or Intangible assets or both during the year.

e) According to the information and explanations given to us and on the basis of our examination of the records of 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)

a) The nature of the business of the Company does not require having any inventories and accordingly reporting under paragraph 3(ii)(a) of the said Order is not applicable for the Company.

b) During the year, the Company has availed working capital limits from banks and financial institutions in excess of Rs. 5 crores on the basis of security of current assets. On the basis of audit procedures carried out by us, we report that the monthly / quarterly statements filed by the Company with banks and financial institutions were in agreement with the books of accounts of the Company.

iii)

a) The Company has provided loans or advances in the nature of loans during the year. As the Company's principal business is to give loans, the reporting 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 by us, we are of the opinion that, the investments made and the terms and conditions of the grant of all loans and advances in the nature of loans, if any, during the year are, prima facie not prejudicial to the Company's interest. The Company has not given any guarantee during the year.

c) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that in respect of loans and advances in the nature of loans (together referred to as "loan assets"), the schedule of repayment of principal and payment of interest has been stipulated. Note No. 3.12 to the financial statements explains the Company's accounting policy relating to impairment of financial assets which include loans assets. In accordance with that policy, loan assets with balances as at March 31, 2024, aggregating Rs. 5,408.23 lakhs were categorised as credit impaired ('Stage 3') and Rs. 3,516.39 lakhs were categorised as those where the credit risk has increased significantly since initial recognition ('Stage 2'). Disclosures in respect of such loans have been provided in Note No. 43 to the financial statements. In all other cases, the repayment of principal and interest is regular. Having regard to the nature of the Company's business and the volume of information involved, it is not practicable to provide an itemized list of loan assets where delinquencies in the repayment of principal and interest have been identified.

d) According to the information and explanations given to us and based on the audit procedures performed by us, total amount overdue including interest for more than ninety days, in respect of loans and advances in the nature of loans, as at the year-end is Rs. 5,408.23 lakhs. As informed to us, reasonable steps are generally being taken by the Company for recovery of the principal and interest.

e) The Company's principal business is to give loans. Accordingly, paragraph 3(iii)(e) of the Order is not applicable to the Company.

f) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under paragraph 3(iii)(f) is not applicable to the Company.

iv) According to the information and explanations given to us and based on the audit procedures performed by us, there are no loans granted, guarantees and securities given in respect of which provisions of section 185 of the Act are applicable. The Company has not made investment through investment companies. The Company has complied with the provisions of section 186 of the Act in respect of investment made by the Company during the year.

v) According to the information and explanation given to us, the Company has not accepted any deposits which are covered under the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act. 2013. Accordingly paragraph 3 (v) of the Order is not applicable to the Company.

vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Act for the business activities carried out by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.

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

a) The Company has been generally regular in depositing its undisputed statutory dues (with respect to amounts deducted / accrued in the books of account) including Provident fund, Employees State insurance, income-tax, goods and services tax, cess and other material statutory dues (where applicable) to the appropriate authorities. There were no dues payable, outstanding as on March 31, 2024 for a period of more than six months from the date they became payable.

b) There are no amounts in respect of income tax, service tax, goods and service tax, duty of customs, duty of excise or value added tax that have not been deposited with the appropriate authorities on account of any dispute.

viii) According to the information and explanations given to us and based on the records of the Company examined by us and management representation which we have relied upon, there are no unrecorded transactions in the books of accounts which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) and hence reporting under this clause is not applicable.

ix)

a) According to the information and explanations given to us and based on the audit procedures performed by us, we report that 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, explanations, management representation given to us which we have relied upon and based on the audit procedures performed by us, we report that the Company is not declared as wilful defaulter by any bank or financial institution or other lender.

c) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has applied the amount raised by it by way of term loans and debt instruments for the purpose for which those loans were obtained, though surplus funds which were not required for immediate utilization were invested in liquid assets.

d) According to the information and explanations given to us, and the procedure performed by us, and on an overall examination of the Standalone Ind AS financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

f) According to the information and explanations given to us and based on the records of the Company examined by us, the company has not raised loans during the year on the pledge of the securities held in its subsidiary and hence reporting under this clause is not applicable.

x) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans have been used for the purpose for which it has been raised. In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence reporting under Clause (x) (a) and (b) of paragraph 3 of the Order is not applicable to the company.

xi)

a) We have been informed that a customer of the company had embezzled Rs. 41.59 lakhs through identity theft in Consumer durable business during the year. Investigations were carried out by the company and the weaknesses in Internal / System controls were strengthened. All the accounts of the customer have been fully provided / written off. The details of this incident have been reported to RBI vide relevant forms.

b) In our opinion and according to the information and explanations given to us, Report under section 143(12) of the Companies Act as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with Central Government has not been filed by the Auditors in form ADT-4.

c) According to the information, explanations and management representation which we have relied upon, and audit procedures performed by us, we report that no whistle-blower complaints were received during the year by the Company.

xii) According to the information and explanations given to us and on the basis of examination of books of account and records of the Company, we report that the Company is not a Nidhi Company within the meaning of Section 406 of the Act. Accordingly, reporting under paragraph 3(xii)(a) to (c) of the Order is not applicable to the Company.

xiii) As per the information and explanations given by the management and on the basis of our examination of the records of the Company, the transactions with the related parties are in compliance with Section 177 and 188 of Act where applicable and the details have been disclosed in the Standalone Ind AS financial statements, as required by the applicable accounting standards.

xiv)

a) As per the information and explanations given by the management and on the basis of our examination of the records of the Company, the Company has an internal audit system commensurate with the size and nature of its business;

b) The reports of the Internal Auditors for the period under audit have been considered by us in determining the nature and extent of any audit procedures.

xv) As per the information and explanations given by the management and management representation which we have relied upon, the Company has not entered into any non-cash transaction with directors or persons connected with him during the year and hence the provision of Section 192 of the Act is not applicable to the Company.

xvi)

a) Based on information and explanation given to us, the Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained Certificate of Registration (CoR) dated December 12, 2019.

b) According to the information and explanations given to us, the Company is registered with a valid Certificate of Registration (CoR) issued by Reserve Bank of India and the Company is in the business of advancing loans.

c) In our opinion, the Company is not a Core Investment Company (CIC) as defined in the Core Investment Companies (Reserve Bank) Directions, 2016 (“the Regulations”) issued by the Reserve Bank of India. Accordingly, the reporting under paragraph 3(xvi)(c) of the Order is not applicable to the Company.

d) According to the information and explanation given to us, in the group, there are no companies forming part of the promoter/promoter group of the Company which are Core Investment Companies (CICs), as defined in the Regulations.

xvii) As per the information and explanations given by the management and on the basis of our examination of the records of the Company, the Company has not incurred cash losses in the financial year and in the immediately preceding financial year.

xviii) There is no resignation by the statutory auditor of the Company during the year.

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 Ind AS financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx) According to the information and explanations given to us by the Company, in respect of other than ongoing projects, the Company has transferred unspent amount to a Fund specified in Schedule VII to the Companies Act, 2013 in compliance with second proviso to sub-section (5) of section 135 of the said Act.

For KHANDELWAL JAIN & CO.
CHARTERED ACCOUNTANTS
ICAI Firm Registration No.: 105049W

Sd/-
PANKAJ JAIN
PARTNER
Membership No. 048850

Place - Mumbai
Date - April 30, 2024

KHANDELWAL JAIN & CO.
CHARTERED ACCOUNTANTS
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Annexure B' to Independent Auditor's Report

(Referred to in paragraph 7(b)(vi) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **Protium Finance Limited** (**Formerly known as Growth Source Financial Technologies Limited)**)

Report on the Internal Financial Controls with reference to Standalone Ind AS financial statements of Protium Finance Limited (**Formerly known as Growth Source Financial Technologies Limited) ('the Company') under Clause (i) of Sub -section 3 of Section 143 of the Companies Act, 2013 ("the Act'')**

Opinion

We have audited the internal financial controls with reference to standalone financial statement of **Protium Finance Limited** (**Formerly known as Growth Source Financial Technologies Limited) ('the Company')** as of March 31, 2024 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, the Company generally has, in all material respects, an adequate internal financial controls with reference to Standalone Ind AS financial statements and such internal financial controls with reference to Standalone Ind AS financial statements were operating effectively as at March 31, 2024, based on the internal control with reference to Standalone Ind AS financial statements reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI).

Management's Responsibility for Internal Financial Controls

The Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to Standalone Ind AS financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ('the Act')

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to the Standalone Ind AS financial statements of the Company.

Meaning of internal financial controls with reference to Standalone financial statements

A company's internal financial controls with reference to Standalone Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statement in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Ind AS financial statements.

Inherent Limitations of internal financial controls with reference to Standalone financial statements

Because of the inherent limitations of internal financial controls with reference to Standalone Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For KHANDELWAL JAIN & CO.
CHARTERED ACCOUNTANTS
ICAI Firm Registration no.:105049W

Sd/-
PANKAJ JAIN
PARTNER
Membership No. 048850

Place - Mumbai
Date – April 30, 2024

Protium Finance Limited
(Formerly known as Growth Source Financial Technologies Limited)

Standalone Balance Sheet as at March 31, 2024

(₹ in lakhs)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
Assets			
Financial Assets			
Cash and cash equivalents	5	89,687.38	31,530.53
Bank balances other than cash and cash equivalents	6	42,454.10	1,764.78
Receivables:			
Trade receivables	7	527.16	309.54
Loans	8	3,23,622.54	2,37,293.26
Investments	9	30,763.64	4,637.98
Other financial assets	10	23,898.32	9,409.14
Total financial assets		**5,10,953.14**	**2,84,945.23**
Non-financial assets			
Current tax assets (net)		1,284.31	1,287.22
Property plant and equipment	11	3,093.13	1,487.30
Capital work-in-progress	11	-	389.59
Intangible assets under development	12	111.06	277.92
Intangible assets	12	3,270.54	2,972.25
Other non financial assets	13	2,052.91	1,374.23
Total non financial assets		**9,811.95**	**7,788.51**
Total Assets		**5,20,765.09**	**2,92,733.74**
Liabilities			
Financial Liabilities			
Derivative financial instrument	14	35.04	-
Payables:			
Trade Payables	15		
(i) total outstanding dues of micro enterprises and small enterprises		916.66	688.34
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,463.78	146.21
Debt securities	16	50,855.32	14,125.35
Borrowings (other than debt securities)	17	2,17,307.50	1,04,124.02
Other financial liabilities	18	14,190.78	30,632.24
Total financial liabilities		**2,84,769.08**	**1,49,716.16**
Non financial liabilities			
Provisions	19	312.84	156.58
Deferred tax liabilities (net)	20	3,915.89	1,251.00
Other non-financial liablities	21	3,145.05	8,658.32
Total non financial liabilities		**7,373.78**	**10,065.90**
Equity			
Equity share capital	22	14,514.23	9,467.78
Other equity	23	2,14,108.00	1,23,483.90
		2,28,622.23	**1,32,951.68**
Total liabilities and equity		**5,20,765.09**	**2,92,733.74**
Material accounting policies	1-4		
See accopanying notes forming part of the stanalone financial statement	5-70		

As per our report of even date attached
For Khandelwal Jain & Co
Chartered Accountants
ICAI Firm Registration Number : 105049W

For and on behalf of the Board of Directors of
Protium Finance Limited

Sd/-
Pankaj Jain
Partner
Membership No. 048850

Sd/-
Peeyush Misra
Manageing Director & CEO
DIN: 08422699

Sd/-
Parveen Kumar Gupta
Independent Director
DIN: 02895343

Sd/-
Amit Gupta
Chief Financial Officer

Sd/-
Anshu Mohta
Company Secretary
Membership No.: A18287

Place: Mumbai
Date: 30 April 2024

Place: Mumbai
Date: 30 April 2024

Protium Finance Limited

(Formerly known as Growth Source Financial Technologies Limited)

Standalone Statement of Profit and Loss for the year ended March 31, 2024

(₹ in lakhs)

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from operations			
Interest income	24	56,346.56	34,025.98
Fees and commission income	25	2,179.97	1,283.93
Net gain/(loss) on fair value changes	26	64.14	1.08
Net gain on derecognition of financial instruments under amortised cost category	27	10,643.26	6,336.79
Total revenue from operations		**69,233.93**	**41,647.78**
Other income	28	3,661.83	330.83
Total income		**72,895.76**	**41,978.61**
Expenses			
Finance costs	29	18,997.70	7,125.67
Impairment on financial instruments	30	6,572.75	4,041.88
Employee benefits expenses	31	17,552.94	12,435.07
Depreciation and amortisation expenses	32	2,392.49	1,383.20
Other expenses	33	11,683.27	8,419.03
Total expenses		**57,199.15**	**33,404.85**
Profit before tax		**15,696.61**	**8,573.76**
Tax expenses:			
Current tax		1,483.57	1,034.97
Deferred tax		2,685.91	1,225.65
Profit after tax		**11,527.13**	**6,313.14**
Other comprehensive income (OCI)			
(i) Items that will not be reclassified to profit or loss			
- Remeasurement gain / (loss) on defined benefit plans		(48.48)	(38.44)
(ii) Income tax impact thereon		12.20	9.68
Subtotal (a)		**(36.28)**	**(28.76)**
(i) Items that will be reclassified to profit or loss			
- The effective portion of of gain / (loss) on hedging instruments		(35.04)	-
(ii) Income Tax impact thereon		8.82	-
Subtotal (b)		(26.22)	**-**
Other comprehensive income net of tax (a + b)		**(62.50)**	**(28.76)**
Total comprehensive income for the year		**11,464.63**	**6,284.38**
Earnings per equity share [nominal value of share: ₹10 (Previous year: ₹10)			
Basic	39	10.52	**10.69**
Diluted	39	10.52	**10.69**
Material accounting policies	1-4		
See accopanying notes forming part of the stanalone financial statement	5-70		

As per our report of even date attached

For Khandelwal Jain & Co
Chartered Accountants
ICAI Firm Registration Number : 105049W

For and on behalf of the Board of Directors of
Protium Finance Limited

Sd/-
Pankaj Jain
Partner
Membership No. 048850

Sd/-
Peeyush Misra
Manageing Director & CEO
DIN: 08422699

Sd/-
Parveen Kumar Gupta
Independent Director
DIN: 02895343

Sd/-
Amit Gupta
Chief Financial Officer

Sd/-
Anshu Mohta
Company Secretary
Membership No.: A18287

Place: Mumbai
Date: 30 April 2024

Place: Mumbai
Date: 30 April 2024

Protium Finance Limited

(Formerly known as Growth Source Financial Technologies Limited)

Standalone Statement of Cash Flows for the year ended March 31, 2024

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Cash flows from operating activities		
Profit before tax	**15,696.61**	**8,573.76**
Adjustments:		
Depreciation and amortization	2,392.49	1,382.76
Loss on sale of property, plant and equipment	46.50	0.55
Impairment on financial instrument	2,006.53	2,247.91
Net gain on fair value changes	(156.74)	-
Net gain/(loss) on derecognition of financial instrument under amortised cost category	4,566.22	1,793.97
Finance cost	1,367.37	192.09
Share based payment	439.66	-
Operating cash flows before working capital changes	**26,358.64**	**14,191.04**
Changes in working capital		
(Decrease)/Increase Provision	107.78	62.87
Provision for Gratuity	90.71	53.80
Provision for Compensated Absences	17.07	9.07
(Decrease)/Increase Lease liability	(784.58)	(374.14)
Interest expense on lease liability	181.25	61.43
Reversal of rent expense	(952.28)	(436.85)
Interest income on Security Deposit	(26.75)	(12.42)
Amortisation of Prepaid expense - Security Deposit	27.86	13.69
Net impact on Lease closure	(14.66)	
Accrued Interest on borrowings and debt securities	-	-
Processing Fee unamortized on borrowings	-	(695.43)
Processing Fee unamortized on loans	-	-
Loan origination cost unamortised	-	-
Operating cash flows before working capital changes	**52,717.27**	**13,879.77**
(Increase)/Decrease in loans	(92,818.77)	(98,117.50)
(Increase)/Decrease in trade receivables	(231.69)	367.78
(Increase)/Decrease in other financial assets	(14,531.39)	(8,899.60)
(Increase)/Decrease in other non-financial assets	(706.55)	(626.91)
(Decrease)/Increase in trade payables	1,545.89	617.99
(Decrease)/Increase in other financial liabilities	(17,715.07)	16,079.02
(Decrease)/Increase in other non-financial liabilities	(5,513.27)	2,945.07
Cash generated from operations	**(1,04,289.01)**	**(73,754.39)**
Income taxes paid	(1,480.66)	(1,505.00)
Net cash flow (used in) / generated from operating activities (A)	**(1,05,769.67)**	**(75,259.39)**
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,048.99)	(1,075.47)
Disposal of fixed assets	78.56	0.43
Purchase of intangible assets	(1,313.40)	(1,576.32)
Capital work-in-progress and intangibles under development	556.45	47.60
Purchase of investments[2]	(25,969.38)	(583.43)
Proceeds from maturity of /(Investments in) fixed deposits with banks	(40,689.32)	(1,392.08)
Net cash (used in) / generated from investing activities (B)	**(68,386.08)**	**(4,579.27)**
Cash flows from financing activities		
Proceeds from issuance of compulsory convertible Preference Shares	-	1,109.84
Proceeds from debt securities	69,398.51	5,000.00
Repayment of debt securities	(33,382.57)	-
Proceeds from borrowings (other than debt securities)	1,72,045.78	1,13,574.16
Repayment of borrowings (other than debt securities)	(59,515.38)	(38,454.13)
Security Premium on issuance of equity share capital	83,771.11	-
Share issuance expenses	(4.85)	-
Net cash (used in) / generated from financing activities (C)	**2,32,312.60**	**81,229.87**
Net (decrease) / increase in cash and cash equivalents (A + B + C)	**58,156.85**	**1,391.21**
Cash and cash equivalents at the beginning of the year	31,530.53	30,139.33
Cash and cash equivalents at the end of the year	**89,687.38**	**31,530.53**

Protium Finance Limited
(Formerly known as Growth Source Financial Technologies Limited)

Standalone Statement of Cash Flows for the year ended March 31, 2024

(₹ in lakhs)

Particulars	**For the year ended March 31, 2024**	**For the year ended March 31, 2023**
Reconciliation of Cash and cash equivalents with the balance sheet		
Cash on hand		-
Balances with banks		
- in current accounts	30,981.13	11,046.19
Deposits with original maturity of less than three months	58,721.28	20,500.00
Cash and cash equivalents	**89,702.41**	**31,546.19**
Impairment loss allowance	(15.03)	(15.66)
Cash and cash equivalents in cash flow statement	**89,687.38**	**31,530.53**

1) Net cash generated from operating activity is determined after adjusting the following

Particulars	**For the year ended March 31, 2024**	**For the year ended March 31, 2023**
Interest received	55,537.19	31,598.80
Dividend received	-	-
Interest paid	18,575.59	7,560.09

2) Purchase of investment is after adjustment of proceeds from sale/redemption of investment

As per our report of even date attached
For Khandelwal Jain & Co
Chartered Accountants
ICAI Firm Registration Number : 105049W

For and on behalf of the Board of Directors of
Protium Finance Limited

Sd/-
Pankaj Jain
Partner
Membership No. 048850

Sd/-
Peeyush Misra
Manageing Director & CEO
DIN: 08422699

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Parveen Kumar Gupta
Independent Director
DIN: 02895343

Sd/-
Amit Gupta
Chief Financial Officer

Sd/-
Anshu Mohta
Company Secretary
Membership No.: A18287

Place: Mumbai
Date: 30 April 2024

Place: Mumbai
Date: 30 April 2024

Protium Finance Limited
(Formerly known as Growth Source Financial Technologies Limited)

Statement of Changes in Equity for the year ended March 31, 2024

A. Equity share capital

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance as at the beginning of the year	9,467.78	9,467.78
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	9,467.78	9,467.78
Changes in equity share capital during the year	5,046.45	-
Balance as at the end of the year	**14,514.23**	**9,467.78**

B. Preference share capital

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance as at the beginning of the year	-	5,027.18
Changes in preference share capital during the year	-	(5,027.18)
Balance as at the end of the year	-	-

C. Other equity

(₹ in lakhs)

Particulars	Reserves and Surplus				Other Comprehensive Income	
	Securities Premium	Statutory Reserve	Share based payment	Retained earnings	Cash flow hedge reserve	Total
Balance as at April 01, 2022	**1,18,017.32**	**287.44**	**-**	**(4.25)**	**-**	**1,18,300.51**
Profit for the year		-	-	6,313.14	-	6,313.14
Other comprehensive income	-	-	-	(28.76)	-	(28.76)
Total Comprehensive Income	**-**	**-**	**-**	**6,284.38**	**-**	**6,284.38**
Issue of equity instruments	1,042.97	-	-	-	-	1,042.97
Share issue expenses	-	-	-	-	-	-
Transfer to statutory reserve	-	1,262.63	-	(1,262.63)	-	-
CCPS Conversion	-	-	-	(2,143.95)		(2,143.95)
Balance as at March 31, 2023	**1,19,060.29**	**1,550.07**	**-**	**2,873.55**	**-**	**1,23,483.91**
Profit for the year	-	-	-	11,527.13	-	11,527.13
Other comprehensive income(net of tax)	-	-	-	(36.28)	(26.22)	(62.50)
Total Comprehensive Income	**-**	**-**	**-**	**11,490.85**	**(26.22)**	**11,464.63**
Issue of equity instruments	78,724.66	-	-	-	-	78,724.66
Share issue expenses	(4.85)	-	-	-	-	(4.85)
Transfer to statutory reserve	-	2,305.43	-	(2,305.43)	-	-
Share based payment during the year			439.66			439.66
Balance as at March 31, 2024	**1,97,780.10**	**3,855.49**	**439.66**	**12,058.97**	**(26.22)**	**2,14,108.00**

As per our report of even date attached
For Khandelwal Jain & Co
Chartered Accountants
ICAI Firm Registration Number : 105049W

For and on behalf of the Board of Directors of
Protium Finance Limited

Sd/-
Pankaj Jain
Partner
Membership No. 048850

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Peeyush Misra
Manageing Director & CEO
DIN: 08422699

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Parveen Kumar Gupta
Independent Director
DIN: 02895343

Sd/-
Amit Gupta
Chief Financial Officer

Sd/-
Anshu Mohta
Company Secretary
Membership No.: A18287

Place: Mumbai
Date: 30 April 2024

Place: Mumbai
Date: 30 April 2024

PROTIUM FINANCE LIMITED

(Formerly known as Growth Source Financial Technologies Limited)

Notes to the Standalone Financial Statements

1. Corporate information:

Protium Finance Limited (formerly known as Growth Source Financial Technologies Limited) (the "Company") was incorporated on March 29, 2019 vide CIN no U65999MH2019PLC323293 as Growth Source Financial Technologies Private Limited . The Company was registered as Non- Banking Financial Company without accepting or holding public deposits, as defined under Section 45-IA of the Reserve Bank of India Act, 1934. The Company is primarily engaged in the business of lending secured and unsecured loans in SME, MSME and Consumer Finance Segments. The company has its registered office at Nirlon Knowledge Park (NKP) B2, 7th Floor, Pahadi, Village, Off. Western Express Highway, Goregaon (E), Mumbai, Mumbai City, Maharashtra, India, 400063. Under the scale based regulation the company is categorized as middle layer (NBFC-ML).

The audited financial statements were subject to review and recommendations of Audit committee and approval of Board of Directors. On April 30, 2024, 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 in accordance with Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs pursuant to Section from time to time and notified under section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian accounting Standards) Rules 2015, as amended from time to time. The Financial Statements have been prepared under the historical cost convention, as modified by the application of fair value measurements required or allowed by relevant accounting standards. Accounting policies have been consistently applied to all periods presented, unless otherwise stated.

The standalone financial statements are presented in Indian Rupee (INR), which is also the functional currency of the Company, in denomination of lakhs with rounding off to two decimals as permitted by Schedule III to the Act except where otherwise indicated. The standalone financial statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair value.

The financial statements have been prepared on a going concern basis, as the Management is satisfied that company shall be able to continue its business for future and no material uncertainity exists that may cast significant doubt on the going concern going concern assumption . In making this assessment , the management has considered a wide range of information relating to present and future conditions, including the future projections, cash flows, and capital resources.

2.1 Statement of compliances

The financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) issued by Ministry of Corporate Affairs in exercise of the powers conferred by section 133 read with sub-section (1) of section 210A of the Companies Act, 2013. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied along with compliance with other statutory promulgations which require a different treatment.

2.2 Presentation of Financial Statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Division III to Schedule III to the Act applicable for Non Banking Finance Companies ("NBFC"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Division III to Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified accounting Standards.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally

enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

• the normal course of business
• the event of default
• the event of insolvency of bankruptcy of the Company/ or its counterparties

3. Material accounting policy information

Revenue recoginition

3.1 Interest income :

The company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Company calculates interest income by applying the EIR to the amortised cost (net of expected credit loss) of the financial asset. If the financial assets cures and is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

The EIR is the rate that exactly discounts estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount. The future cash flows are estimated taking into account all the contractual terms of the instrument.

The calculation of the EIR includes all fees paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets measured at fair value through profit and loss ("FVTPL"), transaction costs are recognised in the statement of profit and loss at initial recognition.

Interest income/expenses is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets/liabilities (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets, interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses)

Overdue interest and other ancilliary charges in respect of loans are recognised upon realisation.

Notes to the Standalone Financial Statements

3.2 Recognition of Other Income :

Revenue generated from the business transactions (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration to be received or receivable by the Company. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind 115:
Step 1: Identify contract(s) with a customer;
Step 2: Identify performance obligations in the contract(s);
Step 3: Determine the transaction price;
Step 4: Allocate the transaction price to the performance obligations in the contract(s);
Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

3.3 Fees and commission income :

Fees and commission income includes Fees and commission charges other than those that are an integral part of EIR . The company recognises the other fee and commission income under the terms and conditions of the relevant contract /agreement.

3.4 Income on derecognised (assigned) loans :

Gains arising out of direct assignment transactions comprises of the difference between interest on the loan portfolio and the applicable rate at which the direct assignment is entered into with the assignee, also known as the right of excess interest spread (EIS). The future EIS basis the scheduled cash flow on execution of the transaction, discounted at the applicable rate entered into with the assignee is recorded upfront in the statement of profit and loss.

3.5 Net gain on fair value changes :

The Company designates certain financial assets for subsequent measurement at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI). The Company recognises gains/loss on fair value change of financial assets measured at FVTPL and realised gains on derecognition of financial asset measured at FVTPL and FVOCI on net basis.

3.6 Expenditures :

(i) Finance costs

Borrowing costs on financial liabilities are recognised using the EIR [refer note no. 3.1].

(ii) Fees and commission expense

Fees and commission expenses which are not directly linked to the sourcing of financial assets, such as commission/incentive incurred on value added services and products distribution, recovery charges, fees paid under guarantee scheme and fees payable for management of portfolio etc., are recognised in the Statement of Profit and Loss on an accrual basis.

(iii) Other expenses

Expenses are recognised on accrual basis net of the goods and services tax, except where credit for the input tax is not statutorily permitted.

3.7 Financial Instruments :

3.7.1 Date of recognition

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are measured at amortised cost, unless otherwise specified. All financial instruments are recognised on the date when the Company becomes party to the contractual provisions of the financial instruments along with the certainty of ultimate collection in case of financial assets. For tradable securities, the Company recognises the financial instruments on settlement date.

3.7.2 Initial measurement of financial instruments:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3.7.3 Day 1 profit and loss

When the transaction price of the financial 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 / loss 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 profit or loss when the inputs become observable, or when the instrument is derecognised.

3.7.4 Classification & measurement categories of financial assets and liabilities

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The Company's business model determines whether the cash flows will be generated by collecting contractual cash flows, selling financial assets or by both.

The Company's business model is assessed at portfolio level and not at instrument level, and is based on observable factors such as:

(i) How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel;

(ii) The risks that affect the performance of the business model and, in particular, the way those risks are managed;
(iii) The expected frequency, value and timing of sales are also important aspects of the Company's assessment.The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account.

Solely payment of principal and interest (SPPI) test Subsequent to the assessment to the relevant business model of the financial assets, the Company assesses the contractual terms of financial assets to identify whether the cash flow realised are towards solely payment of principal and interest.

Principal for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset. The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk.

Initial measurement of financial instruments The classification of financial instruments at initial recognition depends on their contractual terms and the business model for manageing the instruments. Financial instruments are initially measured at their fair value.

The Company classifies all of its financial assets based on the business model for manageing the assets and the asset's contractual terms, measured at either:

Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (**SPPI**) on the principal amount outstanding. The changes in carrying value of financial assets is recognised in profit and loss account.

Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The changes in fair value of financial assets is recognised in Other Comprehensive Income.

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

A financial asset which is not classified in any of the above categories are measured at FVTPL. The Company measures all financial assets classified as FVTPL at fair value at each reporting date. The changes in fair value of financial assets is recognised in Profit and loss account.

3.8 Financial assets and liabilities :

3.8.1 Amortized cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial instruments other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

3.8.2 Financial liabilities

All financial liabilities are measured at amortised cost except loan commitments, financial guarantees, and derivative financial liabilities.

3.8.3 Financial assets and financial liabilities at fair value through profit or loss

Financial assets and financial liabilities in this category are those that are not held for trading and have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under Ind AS 109. Management only designates an instrument at FVTPL upon initial recognition when one of the following criteria are met. Such designation is determined on an instrument-by-instrument basis.

· The designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on them on a different basis; or

· The liabilities are part of a group of financial liabilities, which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy; or

· The liabilities containing one or more embedded derivatives, unless they do not significantly modify the cash flows that would otherwise be required by the contract, or it is clear with little or no analysis when a similar instrument is first considered that separation of the embedded derivative(s) is prohibited.

Financial assets and financial liabilities at FVTPL are recorded in the balance sheet at fair value. Changes in fair value are recorded in profit and loss with the exception of movements in fair value of liabilities designated at FVTPL due to changes in the Company's own credit risk. Such changes in fair value are recorded in the credit reserve through OCI and do not get recycled to the profit or loss. Interest earned or incurred on instruments designated at FVTPL is accrued in interest income or finance cost, respectively, using the EIR, taking into account any discount/ premium and qualifying transaction costs being an integral part of instrument. Interest earned on assets mandatorily required to be measured at FVTPL is recorded using contractual interest rate.

3.8.4 Loan commitment

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.

3.8.5 Financial liabilities and equity instruments

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

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

3.9 Reclassification of financial assets :

The Company changes classification of its financial assets only on account of changes in its business model for manageing those financial assets. Such reclassifications are given prospective impact as per the principles laid down in Ind AS 109 'Financial Instruments'.

3.10 Derivative financial instruments :

The Company enters into derivative financial instruments to manage its exposure to interest rate risk and foreign exchange rate risk. Derivatives held by the Company are Cross Currency Interest Rate Swaps (CCIRS). Derivative contracts are initially recognised at fair value on the date of entering into contract and are subsequently remeasured to their fair value at each reporting date. The resulting gains/losses are recognised in the Statement of Profit and Loss immediately unless the derivative is designated and is effective as a hedging instrument. For hedging instrument, the timing of the recognition in the Statement of Profit and Loss depends on the nature of the hedge relationship. The Company designates its CCIRS derivatives as cash flow hedges of a recognised liability. The Company recognises derivatives with a positive fair value as a financial asset and derivatives with a negative fair value as a financial liability.

Hedge accounting

The Company makes use of derivative instruments to manage exposures to interest rate risk and foreign currency risk. In order to manage particular risks, the Company applies hedge accounting for transactions that meet specified criteria.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Company would assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Cash flow hedge

Hedges that meet the criteria for hedge accounting and qualify as cash flow hedges are accounted as follows:

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability and could affect profit or loss.

For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately as finance cost in the Statement of Profit and Loss.

When the hedged cash flow affects the Statement of Profit and Loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the Statement of Profit and Loss.

3.11 Derecognition of financial Instruments :

3.11.1 Derecognition of financial asset

A financial asset (or, where applicable a part of a financial asset or a part of a group of similar financial assets) 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

· The Company has transferred the rights to receive cash flows from the financial asset or

· It retains the contractual rights to receive the cash flows of the financial asset, but assumed a contractual obligation to pay the cash flows in full without material delay to third party under pass through arrangement.

A transfer only qualifies for derecognition if either:

· The Company has transferred substantially all the risks and rewards of the asset or

· 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.

3.11.2 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, including modified contractual cash flow recognised as new financial liability, is recognised in statement of profit and loss.

3.12 Impairment of financial assets :

The Company records allowance for expected credit losses for all financial assets, other than financial assets held at FVTPL, together with loan commitment and financial guarantee contracts. Equity instruments are not subject to impairment.

Notes to the Standalone Financial Statements
Simplified approach

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime expected credit loss (ECL) at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on portfolio of its receivables. The provision matrix is based on its historically observed default rates over the expected life of the receivables. However, if receivables contain a significant financing component, the Company chooses as its accounting policy to measure the loss allowance by applying general approach to measure ECL.

General approach

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk (SICR) since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses (12m ECL). The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of an evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12m ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The measurement of ECL is a function of the probability of default (PD), loss given default (LGD) (i.e. the magnitude of the loss if there is a default) and the exposure at default (EAD). The assessment of the PD and LGD is based on historical data adjusted by forward-looking information. As for the EAD, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for loan commitments and financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Company's understanding of the specific future financing needs of the customer, and other relevant forward-looking information.

Company categories its financial assets as follows :
Stage 1 assets
Stage 1 assets includes financial instruments that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date. For these assets, 12-month ECL (resulting from default events possible within 12 months from reporting date) are recognised.

Stage 2 assets
Stage 2 Assets includes financial instruments that have had a significant increase in credit risk since initial recognition. For these assets lifetime ECL (resulting from default events possible within 12 months from reporting date) are recognised.

Stage 3 assets
Stage 3 Assets are considered credit-impaired and the Company recognises the lifetime ECL for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.

For financial assets, ECL is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate. The Company recognises an impairment loss or reversal of impairment loss in the profit and loss statement with a corresponding adjustment to their carrying amount through a loss allowance account.

The Company does not limit its exposure to credit losses to the contractual notice period, but, instead calculates ECL over a period that reflects the Company's expectations of the customer behaviour, its likelihood of default and the Company's future risk mitigation procedures, which could include reducing or cancelling the facilities.

3.13 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 cash, securities, power of attorney, credit enhancements such as netting agreements. Collateral, unless repossessed, is not recorded on the Company's balance sheet. However, the fair value of collateral affects the calculation of ECLs. It is generally assessed, at a minimum, at inception and re-assessed on a quarterly basis/annual basis.

To the extent possible, the company uses active market data for valuing financial assets held as collateral.

3.14 Write-offs :
Loans and debt securities are written off when the Company has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). In such cases, the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event. The Company may apply enforcement activities to financial assets written off. Recoveries resulting from the Company's enforcement activities result in impairment gains and are credited to statement of profit and loss.

3.15 Forborne and modified loan :

The Company sometimes makes concessions or modifications to the original terms of loans as a response to the borrower's financial difficulties, rather than taking possession or to otherwise enforce collection of collateral. The Company considers a loan forborne when such concessions or modifications are provided as a result of the borrower's present or expected financial difficulties and the Company would not have agreed to them if the borrower had been financially healthy. Indicators of financial difficulties include defaults on covenants, or significant concerns raised by the Credit Risk Department. Forbearance may involve extending the payment arrangements and the agreement of new loan conditions. Once the terms have been renegotiated, any impairment is measured using the original EIR as calculated before the modification of terms. It is the Company's policy to monitor forborne loans to help ensure that future payments continue to be likely to occur. Derecognition decisions and classification between Stage 2 and Stage 3 are determined on a case-by-case basis. If these procedures identify a loss in relation to a loan, it is disclosed and managed as an impaired Stage 3 forborne asset, until it is collected or written off.

3.16 Determination of fair value :

The Company measures financial instruments, such as, derivatives at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either;

- In the principal market for the asset or liability, or
- 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. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Fair value measurement under Ind AS 113 are categorised into level 1 , 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety ,which are as follows :

Level 1 Inputs

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 Inputs

Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data for substantially the full term of the asset or liability.

Level 3 Inputs

Those that include one or more unobservable input that is significant to the measurement as whole.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Company periodically reviews its valuation techniques including the adopted methodologies and model calibrations.

Therefore, the Company applies various techniques to estimate the credit risk associated with its financial instruments measured at fair value, which include a portfolio-based approach that estimates the expected net exposure per counterparty over the full lifetime of the individual assets, in order to reflect the credit risk of the individual counterparties for non-collateralised financial instruments.

The Company evaluates the levelling at each reporting period on an instrument-by-instrument basis and reclassifies instruments when necessary based on the facts at the end of the reporting period.

3.17 Investment in subsidiaries and associates :

Investment in subsidiaries and associates are 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 of impairment on such investments. 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.

3.18 Retirement and other employee benefits :

3.18.1 Short term employee benefit

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include short term compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised as an expense during the period. Benefits such as salaries and wages, etc. and the expected cost of the bonus/ ex-gratia are recognised in the period in which the employee renders the related service.

3.18.2 Post-employment employee benefits :

(i) Defined benefit plans

The Company provides for the gratuity, a defined benefit retirement plan covering all employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated years mentioned under 'The Payment of Gratuity Act, 1972'. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation, carried out by an independent actuary at each Balance Sheet date, using the Projected Unit Credit Method, which recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

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.

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 or asset. The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income. 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 at each reporting date.

Defined benefit plans may be unfunded, or they may be wholly or partly funded by contributions by the Company, into an entity, or fund from which the employee benefits are paid. The Company is liable to make differential payment for any shortfall between defined benefit payments and the contribution made by the Company.

(ii) Defined contribution plans :

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The Company contributes into following schemes under defined contribution plans:

Superannuation

Defined contribution to superannuation fund is made as per the scheme of the Company.

Provident fund

Each eligible employee and the Company make contribution at a percentage of the basic salary specified under the Employee Provident Funds and Miscellaneous Provisions Act, 1952. The Company recognises contributions payable to the Provident fund scheme as an expenditure when the employees render the related service. The Company has no further obligations under the plan beyond its periodic contributions.

Employees state insurance

The Company contributes to Employees State Insurance Scheme and recognises such contribution as an expense in the Statement of Profit and Loss in the period when services are rendered by the employees.

(iii) Compensated absences

Privilege leave entitlements are recognised as a liability as per the rules of the Company. The liability for accumulated leaves which can be availed and/or encashed at any time during the tenure of employment is recognised using the projected unit credit method at the actuarially determined value by an appointed actuary. The liability for accumulated leaves which is eligible for encashment within the same calendar year is provided for at prevailing salary rate for the entire unavailed leave balance as at the Balance Sheet date.

Remeasurements on defined benefit plans, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets, are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods

3.19 Share based payments

The Company carries out fair value cost assessment of employee stock options on the grant date using Black Scholes model. The cost towards employees of the Company is recognised as employee benefits expenses and that pertaining to employees of subsidiaries are recovered from subsidiaries, over the period in which the service conditions are fulfilled. The cumulative expense/recharge recognised for equity settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has not expired and the Company's best estimate of the number of equity instruments that will ultimately vest. No expense is recognised for grants that do not ultimately vest because of non fulfillment of service conditions. Service conditions are not taken into account while determining the grant date fair value of options, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest

3.20 Leases :

The Company's leases primarily consists of leases for Building and office premises .The company assesses whether a contract contains a lease , at the inception of a contract. A contract 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 a consideration. To assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether (i) the contract involves the use of an identified asset (ii) the company has substantially all of the economic benefits from the use of the asset through out the period of lease and (iii) the company has the right to direct the use of asset.

Measurement and recognition

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Company depreciates the right-of-use assets on a straight-line basis from the lease 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. The Company also assesses the right-of-use asset for impairment when such indicators exist. At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or at the incremental borrowing rate.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

Short term lease

The Company has elected not to recognise right of use asset and lease liabilities for short term leases of property that has lease term of 12 months or less. The Company recognises lease payment associated with these leases as an expense on a straight line basis over lease term.

Company as a lessee:

For any new contracts entered into on or after April 1, 2019, the Company considers whether a contract is, or contains a lease. A lease is defined as ‘a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration’. To apply this definition the Company assesses whether the contract is or contains lease.

3.21 Earnings per share :

Basic earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding for the year.

Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by weighted average number of equity shares considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all potential equity shares.

3.22 Impairment of non-financial assets :

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal/external factors.If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of cash generating unit which the asset belongs to is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment is reversed subject to a maximum carrying value of the asset before impairment.

3.23 Provisions and other contingent liabilities :

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

3.24 Income tax expenses :

Income tax expense represents the sum of the tax currently payable and deferred tax.

3.25.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from ‘profit before tax’ as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company’s current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period. The company has opted for lower rate of tax under section 115BAA @ 22% plus surcharge of 10% and cess of 4% . Effective tax rate being 25.17%.

3.25.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3.25.3 Minimum Alternative Tax (MAT) credit

MAT credit asset is recognized where there is convincing evidence that the asset can be realized in future. MAT credit assets are reviewed as at the balance sheet date and written down or written up to reflect the amount that is reasonably certain to be realised.
Company has opted for lower tax rate under section 115BAA and hence MAT is not applicable.

3.25.4 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

3.26 Goods and Service tax input credit :

Goods and Services tax input credit is accounted for in the books for the period in which the supply of goods or service received is accounted and when there is no uncertainty in availing/utilising the credits.

3.27 Cash and cash equivalents :

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less.

3.28 Property, plant and Equipment :

Recognition and measurement

Property, plant and equipment (PPE) is recognised when it is probable that the future economic benefits associated with it will flow to the company and the cost can be measured reliably.

PPE are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the year till such assets are ready to be put to use. Any trade discounts and rebates are deducted in arriving at the purchase price.Gains or losses arising from derecognition of such assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Subsequent expenditure

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate only if it is probable that the future economic benefits associated with the item will flow to the Company and that the cost of the item can be reliably measured. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repair and maintenance expenses are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation

Depreciation is provided on Straight Line Method (‘SLM’), which reflects the management’s estimate of the useful life of the respective assets. The estimated useful life used to provide depreciation are as follows:

Particulars	Estimated useful life by the company	Useful life as prescribed by Schedule II of the companies Act 2013
Computers	3 years	3 years
Office Equipment	5 years	5 years
Furniture and fixtures	10 years	10 years
Servers and networks	5 years	6 years

The useful lives and the method of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

3.29 Intangible assets :

Recognition and measurement

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. Following initial recognition, intangible assets are carried at cost less accumulated amortisation. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition.

Amortisation

Intangible assets are amortised using the straight line method over a period of 5 years, which is the management's estimate of its useful life. The amortisation period and the amortisation method are reviewed at least as at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

3.30 Foreign currency translation :

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are re-translated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

Exchange differences

All exchange differences are accounted in the Statement of Profit and Loss or Other Comprehensive Income as permitted under the relevant Ind AS.

4. Use of Estimates :

The preparation of 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 year. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised. 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 years.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

4.1 Business model assessment :

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The Company determines its business model at a level that reflects how financial assets as a whole and not an individual instrument performs; therefore the business model is developed basis a higher level of assessment at portfolio level rather than on granular instrument-level information and is based on observable factors such as:
(i) How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel.
(ii) The risks that affect the performance of the business model and, in particular, the way those risks are managed.
(iii) The expected frequency, value and timing of sales are also essential aspects of the Company's assessment.

At initial recognition of a financial asset, the Company determines whether newly recognised financial assets are part of an existing business model or whether they reflect a new business model. The Company reassesses it's business model at each reporting period to determine whether the business model has changed since the previous period.
Based on this assessment and future business plans of the Company, the management has measured its financial assets at amortised cost as the asset is held within a business model whose objective is to collect contractual cash flows, and the contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest.

4.2 Effective Interest Rate (EIR) Method :

The Company's EIR methodology recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle including prepayments and penalty interest and charges.
This estimation, by nature requires an element of judgement regarding the expected behaviour and life cycle of the instrument, as well expected changes India's base rate and other fee income, expenses that are integral part of the instrument.

4.3 Impairment of Financial assets :

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's ECL calculations are outputs of models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

• PD calculation includes historical data, assumptions and expectations of future conditions
• The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a life-time expected credit loss and the qualitative assessment
• The segmentation of financial assets when their ECL is assessed on a collective basis
• Development of ECL models, including the various formulas and the choice of inputs

• Determination of corelation between macroeconomic scenarios and, economic inputs, such as GDP levels and collateral values, and the effect on PDs, EAD and LGD

• Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models

It is Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

Notes to the Standalone Financial Statements

4.4 Impairment of Non-Financial assets :

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exist, the company estimates the asset's recoverable amount. An asset's recoverable amount is higher of an asset's fair value less cost of disposal and its value in use. Where the carrying amount exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

4.5 Fair value of financial instruments :

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

4.6 Provisions, contingent liabilities and contingent assets :

Provisions are recognised when

i. Company has a present obligation (legal or constructive) as a result of a past event; and

ii. it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and

iii. a reliable estimate can be made of the amount of the obligation.

These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Long term provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as a finance cost. A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

Contingent liability is disclosed in case of

i. a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and

ii. a present obligation arising from past events, when no reliable estimate is possible.

Contingent liabilities are reviewed at each balance sheet date.

Contingent assets :

Contingent assets are not recognized in the financial statements. Contingent asset are disclosed where an inflow of economic benefits is probable.

4.7 Provisions for Income Taxes :

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectation of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

Protium Finance Limited
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Notes to the Standalone Financial Statements

Note "5"

Cash and Cash Equivalents (₹ in lakhs)

Particulars	**As at March 31, 2024**	**As at March 31, 2023**
Cash on hand	-	-
Balance with banks		
Current accounts	30,981.13	11,046.19
Bank deposits with original maturity of less than or equal to three months	58,721.28	20,500.00
Less: Impairment Loss Allowance	(15.03)	(15.66)
Total	**89,687.38**	**31,530.53**

5.1 Bank deposits includes deposits under lien aggregating to Nil (as at March 31, 2023 1,000 Lakhs) for liabilities arising out of securitisation transactions.

Note "6"

Bank balances other than cash and cash equivalents (₹ in lakhs)

Particulars	**As at March 31, 2024**	**As at March 31, 2023**
Bank deposits more than three months' maturity	42,469.63	1,766.13
Less: Impairment Loss Allowance	(15.53)	(1.35)
Total	**42,454.10**	**1,764.78**

6.1 Bank deposits includes deposits under lien aggregating to Rs. 4,492.98 lakhs (as at March 31, 2023 Rs. 1,701.86 lakhs) for liabilities arising out of securitisation transactions.

Note "7"

Trade Receivables (₹ in lakhs)

Particulars	**As at March 31, 2024**	**As at March 31, 2023**
Receivables considered good - Secured		
Receivables considered good - Unsecured	542.73	311.04
Receivables which have significant increase in credit risk	-	-
Receivables – credit impaired		
Total	542.73	311.04
Less: Impairment Loss Allowance	(15.57)	(1.50)
Total	**527.16**	**309.54**

Trade Receivables ageing for the year ended March 31, 2024 (₹ in lakhs)

Particulars	**Outstanding for following periods from due date of payment**					
	Less than 6 months	**6 months - 1 year**	**1-2 years**	**2-3 years**	**more than 3 years**	**Total**
Receivables considered good - Unsecured	524.56	7.06	11.11	-	-	542.73
Less: Impairment Loss Allowance	(15.05)	(0.20)	(0.32)	-	-	(15.57)
Total	**509.51**	**6.86**	**10.79**	**-**	-	**527.16**

7.1 (i) No trade receivables are due from Directors or other officers of the Company either severally or jointly with any other person or debts due by firms including limited liability partnerships (LLPs), private companies respectively in which any director is a partner or a director or a member.

7.1 (ii) No trade receivables are due from related parties.

Trade Receivables ageing for the year ended March 31, 2023 (₹ in lakhs)

Particulars	**Outstanding for following periods from due date of payment**					
	Less than 6 months	**6 months - 1 year**	**1-2 years**	**2-3 years**	**more than 3 years**	**Total**
Receivables considered good - Unsecured	283.05	21.42	6.57	-	-	311.04
Less: Impairment Loss Allowance	(1.37)	(0.10)	(0.03)	-	-	(1.50)
Total	**281.68**	**21.32**	**6.54**	**-**	-	**309.54**

7.1 (i) No trade receivables are due from Directors or other officers of the Company either severally or jointly with any other person or debts due by firms including limited liability partnerships (LLPs), private companies respectively in which any director is a partner or a director or a member.

7.1 (ii) No trade receivables are due from related parties.

Protium Finance Limited
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Notes to the Standalone Financial Statements
Note "8"
Loans (₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Loan portfolio		
(at amortised cost)		
(A)		
(i) Term loans	3,28,889.20	2,40,650.21
Total Gross	**3,28,889.20**	**2,40,650.21**
Less : Impairment loss allowance	(5,266.66)	(3,356.95)
Total Net Loans	**3,23,622.54**	**2,37,293.26**
(B)		
(i) Secured by tangible assets	2,12,483.36	1,56,888.27
(ii) Secured by Intangible assets	-	-
(iii) Unsecured	1,16,405.84	83,761.94
Total Gross	**3,28,889.20**	**2,40,650.21**
Less : Impairment loss allowance	(5,266.66)	(3,356.95)
Total Net Loans	**3,23,622.54**	**2,37,293.26**
(C)		
Loans in India		
(i) Public Sector	-	-
(ii) Others	3,28,889.20	2,40,650.21
Total Gross	**3,28,889.20**	**2,40,650.21**
Less : Impairment loss allowance	(5,266.66)	(3,356.95)
Total Net Loans (a)	**3,23,622.54**	**2,37,293.26**
Loans outside India (b)	-	-
Total Net (a) + (b)	**3,23,622.54**	**2,37,293.26**

8.1 Collateral and other credit enhancements :
Loans granted by the Company are secured by any or all of the following as applicable, based on their categorisation:
a) Equitable / registered mortgage of property.
b) Undertaking to create a security.
c) The personal guarantees of borrowers.
d) Assignment of insurance policies.

8.2 Includes loans under on-going cheque handover post completion of disbursement process.

8.3 The Company has not provided any loans or advances to promoters, directors, KMPs and the related parties.

8.4 Unsecured Loans includes unsecured business loans which is guaranteed by Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) and Credit Guarantee Fund for Micro Units (CGFMU) amounting to Rs. 34,812.38 Lakhs (March 31, 2023 Rs. 4,906.63 Lakhs)

8.5 There were no loans given against the collateral of gold jewellery & hence the percentage of such loan to the total outstanding assets is Nil (as at March 31, 2023 is Nil).

Protium Finance Limited
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Notes to the Standalone Financial Statements

Note "9"
Investments

(₹ in lakhs)

Particulars	As at March 31, 2024						
	Amortised Cost	At Fair Value				Others	Total
		Through Other Comprehensive Income	Through Profit or Loss	Designated through Profit or Loss	Subtotal		
Investment in Debentures	-	-	-	-	-	-	-
Investment in Subsidiary							
Protium Business Services Private Limited							
(76,00,000 equity shares of Rs. 10 each, fully paid-up)	-	-	-	-	-	761.00	761.00
Shibui Technologies Private Limited							
(10,000 equity shares of Rs. 10 each, fully paid-up)							
Investment in Government Securities	25,899.76	-	-	-	-	-	25,899.76
Investment in Mutual Funds	-		203.19		203.19		203.19
Investment in ULIP	-		47.62		47.62		47.62
Invesment in PTC's	3,852.66	-	-	-	-	-	3,852.66
					-		
Total (A)	**29,752.42**	**-**	**250.81**	**-**	**250.81**	**761.00**	**30,764.23**
Investment outside India		-	-	-		-	-
Investment in India	29,752.42	-	250.81	-		761.00	30,764.23
Total (B)	**29,752.42**	**-**	**250.81**	**-**		**761.00**	**30,764.23**
Less: Impairment loss Allowance (C)	(0.59)	-	-	-		-	(0.59)
Total (D= A-C)	**29,751.83**	**-**	**250.81**	**-**	**250.81**	**761.00**	**30,763.64**

(₹ in lakhs)

Particulars	As at March 31, 2023						
	Amortised Cost	At Fair Value				Others	Total
		Through Other Comprehensive Income	Through Profit or Loss	Designated through Profit or Loss	Subtotal		
Investment in Debentures	59.02	-	-	-	59.02	-	59.02
Investment in Subsidiary							
Protium Business Services Private Limited							
(76,00,000 equity shares of Rs. 10 each, fully paid-up)	-	-	-	-	-	761.00	761.00
Shibui Technologies Private Limited							
(10,000 equity shares of Rs. 10 each, fully paid-up)							
Investment in Government Securities	3,494.97	-	-	-	3,494.97	-	3,494.97
Others	-	-	-	-	-	-	-
Invesment in PTC's	323.35	-	-	-	323.35	-	323.35
Total (A)	**3,877.34**	**-**	**-**	**-**	**3,877.34**	**761.00**	**4,638.34**
Investment outside India		-	-	-	-	-	-
Investment in India	3,877.34	-	-	-	3,877.34	761.00	4,638.34
Total (B)	**3,877.34**	**-**	**-**	**-**	**3,877.34**	**761.00**	**4,638.34**
Less: Impairment loss Allowance	(0.36)	-	-	-	(0.36)	-	(0.36)
Total	**3,876.98**	**-**	**-**	**-**	**3,876.98**	**761.00**	**4,637.98**

Note "10"
Other financial assets

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Security deposits	673.32	689.85
EIS receivable*	18,304.32	6,478.32
Other receivable	5,050.07	2,301.40
Total	**24,027.71**	**9,469.57**
Less: Impairment loss allowance	(129.39)	(60.43)
Total other financial assets	**23,898.32**	**9,409.14**

*With respect to assignment and co-lending deals, the Company has created an Excess Interest Spread (EIS) receivable with corresponding credit to Profit and loss for the year, which has been computed by discounting Excess Interest Spread (EIS) to present value with necessary estimate and assumptions.

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Notes to the Standalone Financial Statements
Note "11"
Property, plant and equipment
As at March 31, 2024

(₹ in lakhs)

Description	Gross Block				Accumulated Depreciation				Net book value			
	As at April 01, 2023	Additions	Disposal/ Adjustments	As at March 31, 2024	As at April 01, 2023	Additions	Disposal/ Adjustments	As at March 31, 2024	As at April 01, 2023	Additions	Disposal/ Adjustments	As at March 31, 2024
Right of Use Assets	1,148.47	2,347.68	(614.18)	2,881.97	509.15	831.81	(325.79)	1,015.17	639.32	1,515.87	(288.39)	1,866.80
Leasehold Improvements	129.56	553.79	(100.40)	582.95	48.70	164.22	(64.59)	148.33	80.86	389.57	(35.81)	434.62
Furniture and fixtures	103.03	235.35	(91.33)	247.05	14.73	29.51	(7.88)	36.36	88.30	205.85	(83.46)	210.69
Office equipments	176.60	66.98	(1.95)	241.63	63.97	56.61	(1.14)	119.44	112.63	10.37	(0.81)	122.19
Computers	972.55	192.87	(18.94)	1,146.48	406.36	295.25	(13.96)	687.65	566.19	(102.38)	(4.98)	458.83
Total	**2,530.21**	**3,396.67**	**(826.80)**	**5,100.08**	**1,042.91**	**1,377.39**	**(413.35)**	**2,006.95**	**1,487.30**	**2,019.28**	**(413.45)**	**3,093.13**

As at March 31, 2023

(₹ in lakhs)

Description	Gross Block				Accumulated Depreciation				Net book value			
	As at April 01, 2022	Additions	Disposal/ Adjustments	As at March 31, 2023	As at April 01, 2022	Additions	Disposal/ Adjustments	As at March 31, 2023	As at April 01, 2022	Additions	Disposal/ Adjustments	As at March 31, 2023
Right of Use Assets	696.59	451.88	-	1,148.47	119.51	389.64	-	509.15	577.08	62.24	-	639.32
Leasehold Improvements	74.42	55.14	-	129.56	12.94	35.76	-	48.70	61.48	19.38	-	80.86
Furniture and fixtures	68.52	34.51	-	103.03	6.40	8.33	-	14.73	62.12	26.18	-	88.30
Office equipments	99.35	77.25	-	176.60	22.73	41.24	-	63.97	76.62	36.01	-	112.63
Computers	516.85	456.69	(0.99)	972.55	163.58	243.22	(0.44)	406.36	353.27	213.47	(0.55)	566.19
Total	**1,455.73**	**1,075.47**	**(0.99)**	**2,530.21**	**325.16**	**718.19**	**(0.44)**	**1,042.91**	**1,130.57**	**357.28**	**(0.55)**	**1,487.30**

Capital work-in-progress ageing schedule as at March 31, 2024

(₹ in lakhs)

Description	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

Capital work-in-progress ageing schedule as at March 31, 2023

(₹ in lakhs)

Description	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	389.59	-	-	-	**389.59**
Projects temporarily suspended	-	-	-	-	-

Protium Finance Limited
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Notes to the Standalone Financial Statements

Note "12"
Intangible assets and Intangible assets under development
A) Other Intangible assets
As at March 31, 2024

(₹ in lakhs)

Description	Gross Block				Accumulated Depreciation				Net book value			
	As at April 01, 2023	Additions	Disposal/ Adjustments	As at March 31, 2024	As at April 01, 2023	Additions	Disposal/ Adjustments	As at March 31, 2024	As at April 01, 2023	Additions	Disposal/ Adjustments	As at March 31, 2024
Softwares	4,298.60	1,315.17	-	5,613.77	1,329.08	1,014.15	-	2,343.23	2,969.52	301.02	-	3,270.54
Intangible Others	5.04	-	(5.04)	-	2.31	0.96	(3.27)	-	2.73	(0.96)	(1.77)	-
Total	**4,303.64**	**1,315.17**	**(5.04)**	**5,613.77**	**1,331.39**	**1,015.11**	**(3.27)**	**2,343.23**	**2,972.25**	**300.06**	**(1.77)**	**3,270.54**

As at March 31, 2023

(₹ in lakhs)

Description	Gross Block				Accumulated Depreciation				Net book value			
	As at April 01, 2022	Additions	Disposal/ Adjustments	As at March 31, 2023	As at April 01, 2022	Additions	Disposal/ Adjustments	As at March 31, 2023	As at April 01, 2022	Additions	Disposal/ Adjustments	As at March 31, 2023
Softwares	2,722.28	1,576.32	-	4,298.60	665.12	663.96	-	1,329.08	2,057.16	912.36	-	2,969.52
Intangible Others	5.04	-	-	5.04	1.26	1.05	-	2.31	3.78	(1.05)	-	2.73
Total	**2,727.32**	**1,576.32**	**-**	**4,303.64**	**666.38**	**665.01**	**-**	**1,331.39**	**2,060.94**	**911.31**	**-**	**2,972.25**

B) Intangible under development

(₹ in lakhs)

Description	As at March 31, 2024	As at March 31, 2023
Intangible under develeopment	111.06	277.92
Total	**111.06**	**277.92**

Schedule of ageing of completion of intangible assets under development as at March 31, 2024

(₹ in lakhs)

(i) Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in process	111.06	-	-	-	111.06

Schedule of ageing of completion of intangible assets under development as at March 31, 2023

(₹ in lakhs)

(i) Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in process	277.92	-	-	-	277.92

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Notes to the Standalone Financial Statements

Note "13"
Other non financial assets

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
GST input credit	684.17	813.38
Prepaid expenses	768.17	383.90
Salary Advance	8.95	13.50
Advances with others	228.60	9.10
Prepaid Lease Expenses	48.43	73.35
Others	314.59	81.00
Total	**2,052.91**	**1,374.23**

Note "14"
Derivative financial instruments

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Part I (Derivatives held for hedging)		
(i) Currency derivatives including interest rate swap		
Notional amounts		
- Cross currency interest rate swap	27,464.40	-
Fair value assets		
- Cross Currency Interest rate swap		
Fair value liabilities		
- Cross Currency Interest rate swap	35.04	-
Subtotal(i)		
(ii) Interest rate derivatives		
Notional amounts		
- Overnight interest rate swap	-	-
Fair value assets		
- Overnight interest rate swap	-	-
Fair value liabilities		
- Overnight interest rate swap	-	-
Subtotal(ii)		
Total derivative financial instruments (i)+(ii)	**35.04**	**-**

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Part II (Derivatives for risk management purpose)		
(i) Fair value hedging:		
Notional amounts		
- Fair value derivatives	-	-
Fair value assets		
- Fair value derivatives	-	-
Fair value liabilities		
- Fair value derivatives	-	-
Subtotal(i)		
(ii) Cashflow hedging		
Notional amounts		
- Currency derivatives*	27,464.40	-
- Interest rate derivatives		
Fair value assets		
- Currency derivatives*		
- Interest rate derivatives		
Fair value liabilities		
- Currency derivatives	**35.04**	**-**
- Interest rate derivatives		
Subtotal(ii)		
Total derivative financial instruments (i)+(ii)	**35.04**	**-**

Note : The company has board approved policy for entering into derivative transactions.

*Derivatives comprises of currency and interest rate swap. Refer material accounting policy for derivative financial instruments.

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Notes to the Standalone Financial Statements

Note "15"

Trade payables (₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade payables		
Due to micro and small enterprises	916.66	688.34
To others	1,463.78	146.21
Total	**2,380.44**	**834.55**

Details of dues to micro, medium and small enterprises

The amounts due to Micro and Small Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent of information available and compiled by the Company. This has been relied upon by the auditors.

Disclosure pertaining to Micro and Small Enterprises as at March 31, 2024 are as under : (₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;	916.66	688.34
(ii) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during	-	-
(iii) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium	-	-
(iv) the amount of interest accrued and remaining unpaid at the end of each	-	-
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises	-	-

Trade Payables ageing schedule as at March 31, 2024 (₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	916.66	-	-	-	**916.66**
(ii) Others	1,461.18	-	2.07	0.52	**1,463.78**
(iii) Disputed dues – MSME	-	-	-	-	**-**
(iv) Disputed dues - Others	-	-	-	-	**-**
Total	**2,377.85**	**-**	**2.07**	**0.52**	**2,380.44**

Trade Payables ageing schedule as at March 31, 2023 (₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	688.34	-	-	-	**688.34**
(ii) Others	143.69	2.52	-	-	**146.21**
(iii) Disputed dues – MSME	-	-	-	-	**-**
(iv) Disputed dues - Others	-	-	-	-	**-**
Total	**832.03**	**2.52**	**-**	**-**	**834.55**

Protium Finance Limited
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Notes to the Standalone Financial Statements

Note "16"
Debt securities (₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
A) At Amortised cost		
(i) Secured		
Redeemable Market Linked Non-Convertible Debentures	10,592.30	5,024.26
Liabilities arising out of securitization transactions	40,263.02	9,101.09
(ii) Unsecured	-	-
Total	**50,855.32**	**14,125.35**
B) Out of above		
Debt securities in India	50,855.32	14,125.35
Debt securities outside India	-	-
Total	**50,855.32**	**14,125.35**

16.1) Terms of repayment of non-convertible debentures (NCDs) as at March 31, 2024 (₹ in lakhs)

Series details	Face value per debenture (in lakhs)	Date of allotment	Balance as at March 31, 2024 (Rs in Lakhs)	Interest rate % per annum	Date of redemption	Redeemable terms
Protium22-23-A-PPMLD-Sep2024	10.00	22-12-2022	5,564.41	8.93%	22-09-2024	Bullet
9.79%p.a.p.m.Protium Finance Limited	1.00	17-04-2023	5,027.89	9.79%	25-04-2025	Bullet

Terms of repayment of non-convertible debentures (NCDs) as at March 31, 2023 (₹ in lakhs)

Series details	Face value per debenture (in lakhs)	Date of allotment	Balance as at March 31, 2023 (Rs in Lakhs)	Interest rate % per annum	Date of redemption	Redeemable terms
Protium22-23-A-PPMLD-Sep2024	10.00	22-12-2022	5,024.26	8.93%	22-09-2024	Bullet

Nature of security
Debentures are secured by hypothecation of specified term loan receivables

Note "17"
Borrowings (Other than debt securities) (₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
At Amortised cost		
Term loan		
(a) Term loans		
(i) From banks	1,66,626.55	90,659.77
(ii) From other parties	11,864.96	13,066.29
(b) External commercial borrowings	27,665.66	-
(c) Loans repayable on demand		
(i) Bank overdraft	11,150.33	397.96
Total (a + b)	**2,17,307.50**	**1,04,124.02**
Borrowings in India	1,89,641.84	1,04,124.02
Borrowings outside India	**27,665.66**	-
Total	**2,17,307.50**	**1,04,124.02**
Secured borrowings	2,17,307.50	1,04,124.02
Unsecured borrowings	-	-
Total	**2,17,307.50**	**1,04,124.02**

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Notes to the Standalone Financial Statements

Note "18"
Other financial liabilities (₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
ROU Liability (refer note no.45)	1,946.80	673.19
Accrued expenses	1,362.05	2,496.49
Other payables	10,881.93	27,462.56
Total	**14,190.78**	**30,632.24**

Note "19"
Provisions (₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits (Refer Note)		
Gratuity (refer note no. 38)	268.25	129.06
Compensated absences	44.59	27.52
Total	**312.84**	**156.58**

Note "20"
Deferred tax liabilities (net) (₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax assets		
Tax effect of timing differences on account of -		
Impairment of financial instruments	(1,369.95)	(864.90)
Disallowances under section 43B of the Income Tax Act, 1961	(76.34)	(42.16)
Total (a)	**(1,446.28)**	**(907.06)**
Deferred tax liabilities		
Tax effect of timing differences on account of -		
Ind AS adjustment (effective interest rate on fee income and exp, EIS on assignment)	5,113.92	1,761.34
Difference between books and tax written down value of fixed assets	248.26	396.74
Total (b)	**5,362.18**	**2,158.08**
Total (a+b)	**3,915.90**	**1,251.00**

Note "21"
Other Non-Financial Liabilities (₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory liabilities	441.31	959.87
Advance from customers	2,703.74	7,698.45
Total	**3,145.05**	**8,658.32**

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Notes to the Standalone Financial Statements

Note 17(a)(i) Term loan from bank as on March 31, 2024 : Secured

(₹ in lakhs)

Repayment Term	Interest range	Residual tenure on balance sheet date	As at March 31, 2024
Monthly	8.34% - 11%	Upto 1 Year	7,585.44
		1 to 3 Years	48,653.23
		3 to 5 Years	35,585.22
		5 to 7 Years	12,389.50
Quarterly	8.58% - 10.75%	1 to 3 Years	41,895.05
		3 to 5 Years	21,761.58
Add Interest accrued			202.31
Less EIR impact			(1,445.78)
Total			**1,66,626.55**

Note 17(a)(ii) Term loan from bank as on March 31, 2023 : Secured

(₹ in lakhs)

Repayment Term	Interest range	Residual tenure on balance sheet date	As at March 31, 2023
Monthly	8.58% - 11%	Upto 1 Year	1,875.00
		1 to 3 Years	71,183.40
		3 to 5 Years	9,186.77
		5 to 7 Years	3,500.00
Quarterly	8.58% - 10.75%	1 to 3 Years	5,541.18
Add Interest accrued			83.49
Less EIR impact			(710.07)
Total			**90,659.77**

Nature of security
Term loan from bank is secured by hypothecation of specified term loan receivables

Note 17(b)(i) Term loan from financial institutions as on March 31, 2024 : Secured

(₹ in lakhs)

Repayment Term	Interest range	Residual tenure on balance sheet date	As at March 31, 2024
Monthly	9.50% - 10.40%	Upto 1 Year	503.26
		1 to 3 Years	11,373.68
Add Interest accrued			42.09
Less EIR impact			(54.07)
Total			**11,864.96**

Note 17(b)(ii) Term loan from financial institutions as on March 31, 2023 : Secured

(₹ in lakhs)

Repayment Term	Interest range	Residual tenure on balance sheet date	As at March 31, 2023
Monthly	9% - 10.15%	Upto 1 Year	4,125.00
		1 to 3 Years	8,950.84
Add Interest accrued			39.54
EIR impact			(49.09)
Total			**13,066.29**

Nature of security
Term loan from bank is secured by hypothecation of specified term loan receivables

Protium Finance Limited
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Notes to the Standalone Financial Statements

Note 17(c)(i) External commercial borrowings as on March 31, 2024 : Secured

(₹ in lakhs)

Repayment Term	Interest range	Residual tenure on balance sheet date	As at March 31, 2024
Bullet	9.62% - 10.14%	1 to 3 Years	27,464.40
Add Interest accrued			531.98
Less EIR impact			(330.72)
Total			**27,665.66**

Note 17(c)(ii) External commercial borrowings as on March 31, 2023 : Secured

(₹ in lakhs)

Repayment Term	Interest range	Residual tenure on balance sheet date	As at March 31, 2023
-	-	-	-
Add Interest accrued			-
Less EIR impact			-
Total			**-**

Nature of security
Term loan from bank is secured by hypothecation of specified term loan receivables

Note 17(d)(i) Loan repayable on demand from bank as on March 31, 2024 : Secured

(₹ in lakhs)

Repayment Term	Interest range	Residual tenure on balance sheet date	As at March 31, 2024
Bullet	8.05% - 8.31%	Upto 1 Year	11,150.33
Add Interest accrued			-
Less EIR impact			-
Total			**11,150.33**

Note 17(d)(ii) Loan repayable on demand from bank as on March 31, 2023 : Secured

(₹ in lakhs)

Repayment Term	Interest range	Residual tenure on balance sheet date	As at March 31, 2023
Bullet	5.25% - 10.30%	Upto 1 Year	400.55
Add Interest accrued			0.14
EIR impact			(2.73)
Total			**397.96**

Nature of security
Term loan from bank is secured by specified bank FD

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Notes to the Standalone Financial Statements

Note "22"
Equity Share Capital

(a) Details of authorised, issued and subscribed share capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	₹ in lakhs	No. of Shares	₹ in lakhs
Authorized Share Capital				
Equity Shares of ₹ 10 each	15,60,09,300	15,600.93	9,50,09,300	9,500.93
Compulsory Convertible Preference Shares	-	-	6,10,00,000	6,100.00
Issued, subscribed and fully paid-up				
Equity shares of ₹ 10 each	14,51,42,330	14,514.23	9,46,77,800	9,467.78
0.001% Compulsory Convertible Preference Shares (CCPS) of ₹ 10 each	-	-	-	-
Total	**14,51,42,330**	**14,514.23**	**9,46,77,800**	**9,467.78**

(a)(i) Reconciliation of Equity Shares outstanding at the beginning and at the end of the reporting year

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	₹ in lakhs	No. of Shares	₹ in lakhs
Equity Shares				
At the commencement of the year	9,46,77,800	9,467.78	2,22,97,872	2,229.79
Issued during the year	5,04,64,530	5,046.45	6,68,568	66.86
Add: CCPS converted during the year	-	-	7,17,11,360	7,171.13
Shares bought back during the year	-	-	-	-
At the end of the year	**14,51,42,330**	**14,514.23**	**9,46,77,800**	**9,467.78**

(a)(ii) Reconciliation of 0.001% Compulsory Convertible Preference Shares (CCPS) outstanding at the beginning and at the end of the reporting year

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	No. of Shares	No. of Shares	₹ in lakhs
0.001% Compulsory Convertible Preference Shares (CCPS)				
At the commencement of the year	-	-	5,02,71,833	5,027.18
Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Converted in to equity shares during the year	-	-	(5,02,71,833)	(5,027.18)
At the end of the year	**-**	**-**	**-**	**-**

(b) Rights, Preferences and restrictions attached to Equity Shares

The Company has single class equity shares having a par value of ₹ 10 per equity share. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time subject to payment of dividend to preference shareholders. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held. Upon show of hands, every member present in person and holding any equity share capital therein, shall have one vote, in respect of such capital, on every resolution placed before the Company.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Rights, Preferences and restrictions attached to CCPS

The CCPS will have voting rights as one vote per CCPS before conversion into equity. The holders of CCPS shall be entitled to the same number of votes for each Equity Share which would be issued upon conversion of the CCPS at the then applicable rate. The CCPS shall carry a non-cumulative dividend of 0.001 % p.a. on the face value of each CCPS. In addition, if the holders of Equity Shares are proposed to be paid dividend in excess of 0.001%, the holders of the CCPS shall be entitled to dividend at such higher rate in priority to the holders of Equity Shares and holders of such other classes of shares. Upon conversion of the CCPS into Equity Shares in accordance with the provisions agreed, the holders of the CCPS shall be entitled to participate in the dividend on Equity Shares on a pari passu basis with the holders of the Equity Shares. One CCPS shall convert into one Equity share subject to agreed terms and condition on Conversion. The Company shall be entitled to convert the CCPS into Equity Shares at any time after the date of issuance but no later than the day immediately preceding the expiry of nineteen years from the date of first issuance of CCPS by the Company.

(d) Equity Shares held by Holding Company

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	₹ in lakhs	No. of Shares	₹ in lakhs
Consilience Capital Management and it's nominee	14,41,44,759.00	14,414.48	9,40,09,232	9,400.92

(e) Details of shareholder(s) holding more than 5% of equity shares in the company

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	% Holding	No. of Shares	% Holding
Consilience Capital Management and it's nominee	14,41,44,759.00	99.31%	9,40,09,232	99.29%

(f) There are no bonus shares issued or shares issued for consideration other than cash or shares bought back during the year ended March 31, 2024.

(g) There are no shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment during the year ended March 31, 2024.

(h) Equity Shares held by Promoters

Shares held by promoters at the end of the year						% Change during the year
S. No.	Promoter Name	No. of Shares	% of total shares	No. of Shares	% of total shares	
1	Consilience Capital Management and it's nominee	14,41,44,759	99.31%	9,40,09,232	99.29%	0.02%

(i) For company's objectives, policies and processes for manageing capital, refer note --

(j) Shares reserved for issue under employee stock option plan

Particulars	As at March 31, 2024	As at March 31, 2023
	No. of Shares	
Equity shares of Rs. 10 each	28,30,708	-

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Notes to the Standalone Financial Statements
Note "23"
Other Equity

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Securities premium account[1]	1,97,780.10	1,19,060.29
Share based payment reserve[2]	439.66	-
Statutory reserve (created under Section 45-IC of the RBI Act, 1934)[3]	3,855.49	1,550.07
Retaining Earnings[4]	12,058.97	2,873.55
Cash flow hedge reserve[5]	(26.22)	-
Total	**2,14,108.00**	**1,23,483.91**

1) Securities premium:

Share premium is credited when shares are issued at premium and with the fair value of the stock options which are treated as expense, if any, in respect of shares allotted pursuant to Employee Stock Options Scheme, Share premium can be utilised only for limited purposes such as issuance of bonus shares or adjustment of share issue expenses, net of tax, as permissible under the Companies Act. 2013.

2) Share options outstanding account

Share options outstanding account is created as required by Ind AS 102 'Share Based Payments' on the Employee Stock Option Scheme operated by the Company for employees of the company.

3) Reserve fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934

Reserve fund is created as per the terms of section 45 IC(1) of the Reserve Bank of India Act, 1934 as a statutory reserve.

4) Retained earnings

Retained earnings represents the surplus in profit and loss account and net amount of appropriations made to/from retained earnings.
The Company recognises change on account of remeasurement of the net defined benefit liability (asset) as part of retained earnings with separate disclosure, which comprises of (a)actuarial gains and losses: (b) return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); (c) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset).

5) Cash flow hedge reserve

It represents the cumulative gains/(losses) arising on revaluation of the derivative instruments designated as cash flow hedges through OCI and underlying hedged items.

Notes to the Standalone Financial Statements

Note "24"

Revenue from operations (₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
On financial assets measured at amortised cost:		
Interest income on loans	52,053.12	32,509.84
Interest income from investments	1,114.60	576.32
Interest on fixed deposits with banks	3,178.84	939.82
Total	**56,346.56**	**34,025.98**

Note "25"

Fees and commission income (₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Fees and commission income	2,179.97	1,283.93
Total	**2,179.97**	**1,283.93**

Note "26"

Net gain/(loss) on fair value changes (₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Net gain/ (loss) on financial instruments at fair value through profit or loss		
- Investments	64.14	1.08
Total	**64.14**	**1.08**
Fair value changes:		
- Realised	58.77	1.08
- Unrealised	5.37	-
Total	**64.14**	**1.08**

Note "27"

Net gain on derecognition of financial instruments under amortised cost category (₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Gain on derecognition of financial instruments	10,643.26	6,336.79
Total	**10,643.26**	**6,336.79**

Note "28"

Other income (₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Others*	2,418.65	159.57
Recovery against financial assets	567.92	102.49
Recovery against common expenses	675.26	68.77
Total	**3,661.83**	**330.83**

*Includes interest on income tax refund, marketing income etc.

Note "29"

Finance Costs (₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Measured at amortized cost		
Interest on borrowings*	18,739.23	7,056.75
Interest on lease liabilities	181.25	61.44
Other finance cost	77.22	7.48
Total	**18,997.70**	**7,125.67**

* Includes interest on debt securities

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Notes to the Standalone Financial Statements

Note "30"

Impairment on financial instruments (₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
On financial instruments measured at amortized cost		
Impairment on financial assets	2,006.53	2,247.91
Loans written off	4,566.22	1,793.97
Total	**6,572.75**	**4,041.88**

Note "31"

Employee benefits expenses (₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries and wages	15,969.39	11,574.26
Contribution to and provision for:		
Provident and other funds	468.46	321.31
Gratuity fund (refer note no. 38)	90.71	44.12
Share based payment	439.66	-
Staff welfare expenses	584.72	495.38
Total	**17,552.94**	**12,435.07**

Note "32"

Depreciation and amortisation (₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation on property, plant and equipment	1,377.38	718.19
Amortisation on intangible assets	1,015.11	665.01
Total	**2,392.49**	**1,383.20**

Note "33"

Other expenses (₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Loan Origination and Servicing Costs	5,360.70	3,702.94
IT expenses	1,142.94	945.55
Legal and professional charges	1,158.12	734.40
Travelling and conveyance	897.15	729.29
Rent, rates and taxes	412.21	404.83
Office Expenses	709.39	530.42
Business promotion expenses	108.84	258.42
Communication Costs	188.78	129.85
Printing and stationery	151.83	119.15
Auditor fees and expenses	88.49	112.37
Bank Charges	87.97	94.53
Electricity charges	157.46	93.94
Director’s fees, allowances, and expenses	118.94	79.57
Membership & Subscription	102.57	76.48
Insurance	87.81	65.57
Loss on Foreclosure of Loans	218.67	62.38
Postage and courier	96.84	42.45
Collection Charges	417.04	121.51
Repairs and maintenance	47.01	26.89
Corporate Social Responsibility (refer note 40)	67.80	6.26
Brokerage & commission	6.18	5.04
Loss on sale / scrap of fixed assets	46.50	0.55
Other expenses	10.03	76.64
Total	**11,683.27**	**8,419.03**

Payment to auditors includes: (₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
a) For statutory audit	62.33	56.67
b) For taxation matters	6.54	3.27
c) For other services*	19.62	49.60
d) For reimbursement of expenses	-	2.83
Total	88.49	**112.36**

*includes fees for half yearly audit and limited review.

34.1 Reconciliation of total tax charge

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current tax	1,483.57	1,034.97
Earlier Year Tax	-	-
Deferred tax	2,685.91	1225.65
Total income tax expenses recognised in the current year	**4169.48**	**2260.62**
Income tax expense recognised in other comprehensive income	21.02	9.68
Income tax expense for the year reconciled to the accounting profit:		
Profit before tax	15,696.61	8573.76
Income tax rate	25.17%	25.17%
Income tax expense	3,950.84	2,158.02
Tax effect of:		
Effect of Ind AS adjustments (net)	(3,264.53)	(1,730.01)
Impairment of Loans	505.04	565.69
Others (including tax adjustment for earlier years)	2,978.12	1,266.93
Income tax expense recognised in profit and loss	**4,169.48**	**2,260.62**

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

a For the year ended March 31, 2024

(₹ in lakhs)

Deferred tax asset / (liability)	Opening balances as on April 1, 2023	Recognised in profit or loss (Expense) / Income	Recognised in other comprehensive income	Closing balances as on March 31, 2024
Impairment of financial instruments	864.90	505.04	-	1,369.95
Ind AS adjustment (effective interest rate on fee income and exp, EIS on assignment)	(1,761.33)	(3,352.60)	-	(5,113.92)
Unabsorbed Depreciation and Business Loss	-	-	-	-
Disallowances under section 43B of the Income Tax Act, 1961	42.16	13.16	12.20	67.52
Fair valuation of derivative financials instrument	-	-	8.82	8.82
Difference between books and tax written down value of fixed assets	(396.74)	148.48	-	(248.26)
Total	**(1,251.00)**	**(2,685.91)**	**21.02**	**(3,915.90)**

b For the year ended March 31, 2023

(₹ in lakhs)

Deferred tax asset / (liability)	Opening balances as on April 1, 2022	Recognised in profit or loss (Expense) / Income	Recognised in other comprehensive income	Closing balances as on March 31, 2023
Impairment of financial instruments	300.44	564.46	-	864.90
Ind AS adjustment (effective interest rate on fee income and exp, EIS on assignment)	(123.43)	(1,637.90)	-	(1,761.33)
Unabsorbed Depreciation and Business Loss	-	-	-	-
Disallowances under section 43B of the Income Tax Act, 1961	0.47	32.02	9.68	42.16
Difference between books and tax written down value of fixed assets	(212.51)	(184.23)	-	(396.74)
Total	**(35.03)**	**(1,225.64)**	**9.68**	**(1,251.00)**

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Notes to the Standalone Financial Statements

Note "35"
Earnings per share ('EPS')
Basic earnings per share is calculated by dividing the profit attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.
Diluted earnings per share is calculated by dividing the profit attributable to equity shareholders of the Company with the weighted average number of equity shares outstanding during the year adjusted for assumed conversion of all dilutive potential equity shares.

i. Profit attributable to Equity shareholders:

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit/ (loss) after tax as per Statement of Profit and Loss	11,527.13	6,313.14
Add: Dividend savings on CCPS	-	-
Net profit attributable to equity shareholders for calculation of Basic EPS	**11,527.13**	**6,313.14**
Net profit adjusted for the effects of dilutive potential equity shares for calculation of Diluted EPS	**11,527.13**	**6,313.14**

ii. Weighted Average Number of Shares and Earnings per share (EPS)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	10,95,68,973	5,90,39,496
Adjustments for calculation of diluted earnings per share:	-	-
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share	10,95,68,973	5,90,39,496
Basic earnings per share	**10.52**	**10.69**
Diluted earnings per share	**10.52**	**10.69**

36. Segment reporting

The Company operates in a single reportable operating segment of providing loans. All other activities revolve around the main business. Further, all activities are carried out within India. As such, there are no separate reportable segments as per the pronouncements of Ind AS 108 on 'Segment Reporting'.

The Company has its operations within India and all revenue are generated within India.

37. Contingent Liability & Commitment:

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Contingent Liability	-	-
Commitments		
Estimated amount of contracts remaining to be executed on capital account	47.45	259.60
Undisbursed loan commitments	10,498.21	6,290.28

Note:

1. The amount included above represents the best possible estimates arrived at on the basis of available information.

2. The Company has a process whereby periodically all long-term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provisions (if any) required under any law / accounting standard / RBI regulation for material foreseeable losses on such long-term contracts has been made in the books of account.

38. Employee Benefit:

In accordance terms of the Indian Accounting Standard 19 'Employee Benefits', the requisite disclosures are as follows:

i) Defined Contribution Plans:

The Company recognized charges of INR 468.46 lakhs (March 31, 2023: INR 321.31 lakh) for Provident fund contributions.

ii) Compensated absences

The actuarially determined liability for compensated absences of accumulated leaves of the employees of the Company is given below:

Particulars	As at March 31, 2024	As at March 31, 2023
Assumptions:		
Discount rate	7.17%	7.22%
Salary escalation rate	5.00%	5.00%
Rate of Employee Turnover	For service 4 years and below 25.00% p.a. & For service 5 years and above 8.00% p.a	For service 4 years and below 25.00% p.a. & For service 5 years and above 8.00% p.a

Discount rate: The discount rate is based on the prevailing market yields of Indian Government Securities as at the balance sheet date for the estimated term of the obligations.

iii) Defined Benefit Gratuity Plans:

Every employee who will complete five years or more of service gets a gratuity on departure at 15 days salary (last drawn) for each completed year of service. The Company recognized charges of INR 90.71 lakhs (March 31, 2023: INR 44.12 lakh) for Gratuity Fund. The same is payable at the time of separation from the Company or retirement, whichever is earlier.

Assumptions	As at March 31, 2024	As at March 31, 2023
Discount rate	7.17%	7.30%
Salary escalation rate	5.00%	5.00%
Rate of return on plan assets	NA	NA
Rate of Employee Turnover	For service 4 years and below 25.00% p.a. & For service 5 years and above 8.00% p.a	For service 4 years and below 25.00% p.a. & For service 5 years and above 8.00% p.a
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

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Notes to the Standalone Financial Statements

38. Employee Benefit (Continued)

Table showing change in the present value of projected benefit obligation

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of Benefit obligation at the beginning of the year (Unfunded)	129.06	46.50
Interest cost	9.42	2.98
Current service cost	81.29	41.14
Liability transferred out/ Divestment		
Actuarial (Gains) on Obligations - Due to Change in Demographic Assumptions	-	-
Actuarial (Gains) on Obligations - Due to Change in Financial Assumptions	3.09	(11.69)
Actuarial Losses on Obligations - Due to Experience	45.39	50.13
Benefits paid	-	-
Present value of obligation as at the end of the year (Unfunded)	**268.25**	**129.06**

Amount recognized in the Balance Sheet

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of benefit obligation at the end of the year	(268.25)	(129.06)
Fair value of plan assets at the end of the year		
Funded Status (Deficit)	(268.25)	(129.06)
Net (Liability)/Asset Recognized in the Balance Sheet	**(268.25)**	**(129.06)**

Expenses recognized in the Statement of Profit and Loss

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Current service cost	81.29	41.14
Net Interest cost	9.42	2.98
Amount included in employee benefit expenses	**90.71**	**44.12**

Expenses recognized in the Other comprehensive income (OCI)

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Actuarial Losses on obligation for the year	48.48	38.44
Net Expense for the year recognized in OCI	**48.48**	**38.44**

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors

Balance sheet reconciliation

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening net liability	**129.06**	**46.50**
Expenses recognized in Statement of Profit and Loss	90.71	44.12
Expenses recognized in OCI	48.48	38.44
Net (Liability) Transfer Out	-	-
Net liability recognized in the Balance Sheet	**268.25**	**129.06**

Cash Flow Projection

Maturity analysis of the benefit payments: from the employer

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Projected benefits payable in future years from the date of reporting		
1st Following Year	3.02	0.68
2nd Following Year	11.38	0.78
3rd Following Year	19.12	6.82
4th Following Year	25.39	11.63
5th Following Year	28.40	14.61
Sum of Years 6 to 10	130.61	65.89
Sum of Years 11 and above	374.08	200.99

38. Employee Benefit (Continued)

Sensitivity analysis

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Projected benefit obligation on current assumptions	**268.25**	**129.06**
Delta effect of +1% change in rate of discounting	(22.38)	(11.46)
Delta effect of -1% change in rate of discounting	25.83	13.24
Delta effect of +1% change in rate of salary increase	23.27	12.62
Delta effect of -1% change in rate of salary increase	(21.19)	(11.54)
Delta effect of +1% change in rate of employee turnover	(3.17)	(2.90)
Delta effect of -1% change in rate of employee turnover	2.63	2.67

Qualitative disclosures

Gratuity is a defined benefit plan and company is exposed to the Following Risks:

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision.

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

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Company has to manage pay-out based on pay as you go basis from own funds.

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

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39 Employee stock option plan

In accordance with the resolution approved by the Shareholders on January 24, 2023, the Company has reserved share, for issue to employees through Protium Finance Employee Stock Option Plan I(ESOP Plan I). Under the terms of ESOP Plan I Company may issue stock option to the employees of the Company each of which is convertible into one equity share.

As on March 31, 2024

Grant date	Exercise price (Rs)	Options granted	Options vested and exercisable	Options unvested	Options exercised	Options cancelled/Lapsed	Options outstanding
15-Apr-23	166	19,12,650	-	19,12,650	-	-	19,12,650
15-May-23	166	10,15,648	-	10,15,648	-	97,590	9,18,058
Total		**29,28,298**	**-**	**29,28,298**	**-**	**-**	**28,30,708**

As on March 31, 2023 Nil

Weighted average fair value of stock options granted during the year is as follows:

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023
Grant date	15-Apr-23	15-May-23	Nil
No. of options granted	19,12,650	10,15,648	Nil
Weighted average fair value (Rs)	219.79	223.24	Nil

Following table depicts range of exercise prices and weighted average remaining contractual life

As on March 31, 2024

For all grants	No. of options	Range of exercise prices (Rs)	Weighted average exercise price (D)	Weighted average remaining contractual life (years)
Outstanding at the beginning of the year	-	-	-	
Granted during the year	29,28,298	166	166	4.23
Cancelled/Lapsed during the year	97,590.00	166	166	NA
Exercised during the year	-	-	-	-
Outstanding at the end of the year	28,30,708	166	166	3.35
Exercisable at the end of the year	-	-	-	-

As on March 31, 2023 Nil

Method used for accounting for share based payment plan

The Company has used the fair value method to account for the compensation cost of stock options to employees. The fair value of options used are estimated on the date of grant using the Black – Scholes Model. The key assumptions used in Black – Scholes Model for calculating fair value as on the date of respective grants are:

Grant date	Employee Type	Risk Free interest rate	Expected life(In years)	Expected volatility	Dividend yield	Price of the underlying share in the market at the time of the option grant (Rs)*	Options granted	Vesting period(In years)
15-Apr-23	A1	7.05%	3.75	25%	0%	166	12,04,820	3
15-Apr-23	A2	7.05%	4.25	25%	0%	166	3,76,505	4
15-Apr-23	A3	7.07%	5	24%	0%	166	3,31,325	5
15-May-23	S1	6.96%	4.1	25%	0%	166	66,264	4
15-May-23	S2	6.96%	4.7	25%	0%	166	1,50,600	4
15-May-23	S3	6.96%	5.5	24%	0%	166	1,29,516	5
15-May-23	S1 Others	6.96%	4.1	25%	0%	166	3,08,429	3
15-May-23	S2 Others	6.96%	4.5	24%	0%	166	2,57,225	3
15-May-23	S3 Others	6.96%	5	24%	0%	166	1,03,614	4

For the year ended March 31, 2024, the Company has accounted expense of Rs 439.66 Lakhs as employee benefit expenses on the aforesaid employee stock option plan (Previous year Nil).

40. Expenditure towards corporate social responsibility as per Section 135 of the Companies Act, 2013 (read with schedule VII thereof)

a. Gross amount required to be spent by the Company during the year – Rs. 67.48 lakhs (Previous Year Rs. 6.26 lakhs).

b. The details of amount spent in respective year towards CSR as follows: (₹ in lakhs)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Construction/ acquisition of asset:		
Amount required to be spent by the company during the year	-	-
Shortfall of earlier year brought forward.	-	-
Amount spent	-	-
Amount unpaid / provision/ Shortfall[1] carried forward	-	-
On purpose other than above:		
Amount required to be spent by the company during the year	67.48	6.26
Shortfall of earlier year brought forward.	-	-
Amount spent	67.80	6.26
Amount unpaid / provision/ Shortfall[1] carried forward	-	-

Notes:

1. The Company has contributed to the Cuddles Foundation which supports children fighting cancer by providing nutrition supplements, in-meal supplements, ration bundles and care giver induction kits. The program was implemnted in five (5) hospitals loacted at Kolkata, Mumbai and Delhi . There is no unspent amount carried forward to next year.

41. Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"

(a) Current and Non-current maturity: (₹ in lakhs)

Particulars	As at March 31, 2024			As at March 31, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and Cash Equivalents	89,687.38	-	89,687.38	31,530.53	-	31,530.53
Bank balances other than cash and cash equivalents	42,185.73	268.37	42,454.10	1,764.78	-	1,764.78
Trade Receivables	527.16	-	527.16	309.54	-	309.54
Loans	97,631.38	2,25,991.16	3,23,622.54	65,909.20	1,71,384.06	2,37,293.26
Investments	26,102.45	4,661.19	30,763.64	3,553.71	1,084.27	4,637.98
Other Financial assets	12,756.01	11,142.31	23,898.32	4,980.31	4,428.83	9,409.14
Sub total	**2,68,890.12**	**2,42,063.03**	**5,10,953.14**	**1,08,048.08**	**1,76,897.15**	**2,84,945.23**
Non-financial assets						
Current tax assets (Net)	-	1,284.31	1,284.31	-	1,287.22	1,287.22
Property Plant and Equipment	-	3,093.13	3,093.13	-	1,487.30	1,487.30
Capital work-in-progress	-	-	-	389.59	-	389.59
Intangible Assets under development	111.06	-	111.06	277.92	-	277.92
Intangible Assets	-	3,270.54	3,270.54	-	2,972.25	2,972.25
Other Non Financial assets	2,052.91	-	2,052.91	1,370.74	3.49	1,374.23
Sub total	**2,163.97**	**7,647.98**	**9,811.95**	**2,038.25**	**5,750.26**	**7,788.51**
Total assets	**2,71,054.09**	**2,49,711.01**	**5,20,765.09**	**1,10,086.33**	**1,82,647.41**	**2,92,733.74**
LIABILITIES						
Financial liabilities						
Derivative financial instrument	-	35.04	35.04	-	-	-
Trade Payables	2,380.44	-	2,380.44	834.55	-	834.55
Debt Securities	25,032.83	25,822.49	50,855.32	6,432.19	7,693.16	14,125.35
Borrowings (Other than Debt Securities)	84,283.10	1,33,024.40	2,17,307.50	44,973.40	59,150.62	1,04,124.02
Other financial liabilities	13,052.92	1,137.86	14,190.78	30,397.05	235.19	30,632.24
Sub total	**1,24,749.29**	**1,60,019.79**	**2,84,769.08**	**82,637.19**	**67,078.98**	**1,49,716.16**
Non-financial liabilities						
Provisions	44.59	268.25	312.84	27.52	129.06	156.58
Deferred Tax Liabilities (net)	-	3,915.89	3,915.89	-	1,251.01	1,251.01
Other non-financial liablities	1,256.98	1,888.07	3,145.05	2,465.59	6,192.73	8,658.32
Sub total	**1,301.57**	**6,072.21**	**7,373.78**	**2,493.11**	**7,572.80**	**10,065.91**
Total liabilities	**1,26,050.86**	**1,66,092.00**	**2,92,142.86**	**85,130.30**	**74,651.78**	**1,59,782.08**

(b) Financing arrangement

The company had access to the following undrawn borrowing facilities at the end of reporting period

(₹ in lakhs)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Undrawn backup lines	11,000.00	809.35

(c) Carrying amount of collateral given

(₹ in lakhs)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Cash and cash equivalent	-	-
Bank balances other than cash equivalent	-	-
Investments	-	-
Loan and advances	2,51,729.07	1,35,240.35

(d) Financial assets are transferred but not derecognised in their entirety :

(i) Securitisation

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Carrying amount of assets	38,880.03	9,256.18
Carrying amount of associated Liabilities	40,263.02	9,101.09

(ii) Assignment and Colending

The Company has sold some loans (measured at amortised cost) by way of direct bilateral assignment and colending, as a source of finance.

As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the buyer, the assets have been de-recognised from the Company's balance sheet.

The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain/ (loss) on derecognition, per type of asset.

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Carrying amount of de-recognised financial asset	1,71,104.44	49,206.15
Carrying amount of retained asset at amortised cost	46,835.99	10,994.04
Net gain on sale of the de-recognised financial asset*	10,643.26	6,336.79

*It represents net gain on derecognition of financial asset for the year ended March 31, 2024 and March 31, 2023

42. Capital

The Company actively manages its capital base to cover risks inherent to its business and meets the capital adequacy requirements of the regulator - Reserve Bank of India. The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI.

(i) Capital management

Objective

The Company's objective is to maintain appropriate levels of capital to support its business strategy taking into account the regulatory, economic and commercial environment. The Company aims to maintain a strong capital base to support the risks inherent to its business and its growth strategy. The Company endeavors to maintain a higher capital base than the mandated regulatory capital at all times.

Planning

The Company's assessment of capital requirement is aligned to its planned growth which forms part of an annual operating plan which is approved by the Board and also a long range strategy. These growth plans are aligned to assessment of risks- which include credit, liquidity and interest rate.

The Company monitors its capital adequacy ratio (CRAR) on a monthly basis through its assets liability management committee (ALCO).

The Company maintains its capital structure in line with the economic conditions and the risk characteristics of its activities and the board reviews the capital position on a regular basis.

Gearing ratio: (₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Debt	2,68,162.82	1,18,249.37
Total Equity	2,28,622.23	1,32,951.69
Debt to Equity Ratio (in times)	**1.17**	**0.89**

(ii) Regulatory Capital

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Tier I Capital	2,03,899.44	1,27,893.33
Tier II Capital	0.00	1,200.66
Total Capital	**2,03,899.44**	**1,29,093.99**
Total Risk weighted assets	**3,52,404.18**	**2,56,642.06**
Tier I CRAR	57.86%	49.83%
Tier II CRAR	0.00%	0.47%
Total capital	**57.86%**	**50.30%**

43. Risk Management framework

While risk is inherent in the Company's activities, it is managed through an integrated risk management framework, including ongoing identification, measurement and monitoring, subject to risk limits and other controls.

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles.

The Risk Committee has the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limits. The Risk Committee is responsible for manageing risk decisions and monitoring risk levels and reports to the Board.

The Company's risks are generally categorized in the following risk types:
a) Credit risk
b) Liquidity risk
c) Market risk
d) Operational risk
e) Foreign currency risk

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's Trade receivables and Loans. The Company has adopted a policy of dealing with creditworthy counterparties and obtains sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. In case the loans are to be restructured, similar credit assessment process is followed by the Company.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties/Groups (Single Borrowing Limit/Group Borrowing Limit) and for industry concentrations, and by monitoring exposures in relation to such limits.

Credit quality of a customer is assessed based on its credit worthiness and historical dealings with the Company and market intelligence. Outstanding customer receivables are regularly monitored. The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

Financial assets measured on a collective basis

The company splits its exposure into smaller homogeneous portfolios, based on shared credit risk characteristics, as described below in the following order:
- Secured/unsecured i.e. based on whether the loans are secured
- Nature of security i.e. the nature of the security if the loans are determined to be secured
- Nature of loan i.e. based on the nature of loan

Significant increase in credit risk
The company considers an exposure to have significantly increased in credit risk when the borrower crosses 30 DPD but is within 90 DPD.

Impairment assessment
The company considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower crosses 90 days past due on its contractual payments. Further, the borrower is retained in Stage 3 (credit-impaired) till all the overdue amounts are repaid i.e borrower becomes 0 days past due on its contractual payments.

Exposure at default
The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation.

Loss given default
The credit risk assessment is based on a standardised LGD assessment framework that incorporates the probability of default and subsequent recoveries, discounted.

Current economic data and forward-looking economic forecasts and scenarios are used in order to determine the Ind AS 109 LGD rate. The company uses data obtained from third party sources and combines such data with inputs to the Company's ECL models including determining the weights attributable to the multiple scenarios.

Credit quality of assets

i) The table below shows credit quality and maximum exposure to credit risk based on year-end stage classification. The amounts presented are gross of Impairment loss allowance.

(₹ in lakhs)

Sr No	Particulars	Loss Allowance measured at 12 month ECL (Stage 1)	Loss Allowance measured at life time ECL	
			Financial Assets for which credit risk has increased significantly and credit not impaired (Stage2)	Financial Assets for which credit risk has increased significantly and credit impaired (Stage 3)
I	**As on March 31, 2023**			
	Estimated gross carrying amount at default	2,37,160.19	1,901.08	1,588.94
	Expected credit Loss	(2,115.74)	(435.85)	(805.36)
	Carrying amount net of Impairment Provision	**2,35,044.45**	**1,465.23**	**783.58**
		-	-	-
II	**As on March 31, 2024**	-	-	-
	Estimated gross carrying amount at default	3,19,964.57	3,516.39	5,408.23
	Expected credit Loss	(1,901.42)	(887.20)	(2,478.03)
	Carrying amount net of Impairment Provision	**3,18,063.14**	**2,629.19**	**2,930.21**

43. Risk Management framework (continued)

ii) An analysis of changes in the gross carrying amount and corresponding ECL allowances in relations to loans is as under:

(₹ in lakhs)

Sr No	Particulars	Stage 1	Stage 2	Stage 3	Total
I	**Gross Carrying amount balance as at April 01, 2022**	**1,42,234.72**	**1,821.16**	**225.83**	**1,44,281.72**
	Transfers to Stage 1	23.12	(23.12)	-	-
	Transfers to Stage 2	(1,427.66)	1,427.66	-	-
	Transfers to Stage 3	(3,804.91)	(1,010.58)	4,815.49	-
	Loans that have been de recognised during the year	-	-	-	-
	New Loans originated during the year	2,30,191.44	1,177.11	1,300.68	**2,32,669.23**
	Written offs	-	-	(1,793.97)	**(1,793.97)**
	Remeasurement of net exposure	-	-	-	-
	Matured or repaid during the year	(1,30,056.52)	(1,491.16)	(2,959.09)	**(1,34,506.77)**
II	**Gross Carrying amount balance as at March 31, 2023**	**2,37,160.19**	**1,901.08**	**1,588.94**	**2,40,650.21**
	Transfers to Stage 1	266.83	(201.42)	(65.41)	-
	Transfers to Stage 2	(2,915.26)	2,915.26	-	-
	Transfers to Stage 3	(7,367.21)	(1,043.66)	8,410.87	-
	Loans that have been de recognised during the year	(1,60,042.62)	-	-	**(1,60,042.62)**
	New Loans originated during the year	3,73,104.05	2,137.80	2,518.68	**3,77,760.53**
	Written offs	-	-	(4,566.22)	**(4,566.22)**
	Remeasurement of net exposure	-	-	-	-
	Matured or repaid during the year	(1,20,241.41)	(2,192.67)	(2,478.63)	**(1,24,912.71)**
III	**Gross Carrying amount balance as at March 31, 2024**	**3,19,964.57**	**3,516.39**	**5,408.23**	**3,28,889.19**

(₹ in lakhs)

Sr No	Particulars	Stage 1	Stage 2	Stage 3	Total
I	**ECL allowance balance as at April 01, 2022**	**767.92**	**167.16**	**166.61**	**1,101.69**
	Transfers to Stage 1	1.13	(1.13)	-	-
	Transfers to Stage 2	(15.23)	15.23	-	-
	Transfers to Stage 3	(24.53)	(148.44)	172.97	-
	Loans that have been de recognised during the year	-	-	-	-
	New Loans originated during the year	1,606.87	235.49	338.98	2,181.34
	Written offs	-	-	(1,166.08)	(1,166.08)
	Remeasurement of net exposure	540.58	307.63	1,603.58	2,451.79
	Matured or repaid during the year	(761.00)	(140.09)	(310.70)	(1,211.79)
II	**ECL allowance amount balance as at March 31, 2023**	**2,115.74**	**435.85**	**805.36**	**3,356.95**
	Transfers to Stage 1	63.33	(32.26)	(31.07)	-
	Transfers to Stage 2	(44.48)	44.48	-	-
	Transfers to Stage 3	(172.53)	(299.07)	471.60	-
	Loans that have been de recognised during the year	(944.25)	-	-	(944.25)
	New Loans originated during the year	2,218.80	539.38	1,154.05	3,912.22
	Written offs	-	-	(2,968.04)	(2,968.04)
	Remeasurement of net exposure	(105.37)	296.40	3,493.38	3,684.41
	Matured or repaid during the year	(1,229.81)	(97.58)	(447.25)	(1,774.63)
III	**ECL allowance amount balance as at March 31, 2024**	**1,901.42**	**887.20**	**2,478.03**	**5,266.65**

Analysis of risk concentration

The following table shows risk concentration of the Company's loans basis risk exposure into smaller homogeneous portfolios, based on shared credit risk characteristics as under:

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Carrying value of Loans		
Loan against property (LAP)	1,83,006.76	1,43,320.30
Business Loan	68,156.88	68,370.28
Digital Lending business	48,248.97	25,575.79
Others	29,476.58	3,383.84
Total	**3,28,889.19**	**2,40,650.21**

43. Risk Management framework (continued)

b) Liquidity risk

Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. To limit this risk, management has arranged for diversified funding sources, and adopted a policy of manageing assets with liquidity in mind and monitoring future cash flows and liquidity on a daily basis.

Maturity analysis of assets and liabilities

The table below summarises the maturity profile of the cash flows of the Company's financial assets and liabilities as at March 31, 2024:-

(₹ in lakhs)

Particulars	Carrying Amount	Not later than one month	Later than one month and not later than three months	Later than three months and not later than one year	Later than one year and not later than five years	Later than five years
ASSETS						
Financial assets						
Cash and Cash Equivalents	89,687.38	76,954.64	12,732.75	-	-	-
Bank balances other than cash and cash equivalents	42,454.10	405.27	22,375.48	19,404.98	268.37	-
Trade Receivables	527.16	527.16	-	-	-	-
Loans	3,23,622.54	14,311.56	18,389.90	64,929.92	1,38,230.97	87,760.19
Investments	30,763.64	17,953.35	7,945.91	203.19	3,852.59	808.60
Other Financial assets	23,898.32	1,564.52	3,939.62	7,251.87	10,014.86	1,127.41
Sub total	**5,10,953.14**	**1,11,716.50**	**65,383.66**	**91,789.96**	**1,52,366.78**	**89,696.21**
Non-financial assets						
Current tax assets (Net)	1,284.31	-	-	-	1,284.31	-
Property Plant and Equipment	3,093.13	-	-	-	-	3,093.13
Capital work-in-progress	-	-	-	-	-	-
Intangible Assets under development	111.06	-	-	111.06	-	-
Intangible Assets	3,270.54	-	-	-	-	3,270.54
Other Non Financial assets	2,052.91	943.53	340.67	768.71	-	-
Sub total	**9,811.95**	**943.53**	**340.67**	**879.77**	**1,284.31**	**6,363.67**
Total assets	**5,20,765.09**	**1,12,660.03**	**65,724.33**	**92,669.73**	**1,53,651.09**	**96,059.88**
LIABILITIES						
Financial liabilities						
Derivative financial instrument	35.04	-	-	-	35.04	-
Trade Payables	2,380.44	2,380.44	-	-	-	-
Debt Securities	50,855.32	3,988.40	2,905.51	18,138.92	23,798.56	2,023.93
Borrowings (Other than Debt Securities)	2,17,307.50	15,274.42	14,212.37	54,796.31	1,29,968.46	3,055.94
Other financial liabilities	14,190.78	5,733.52	6,027.30	1,292.10	1,137.86	-
Sub total	**2,84,769.08**	**27,376.78**	**23,145.17**	**74,227.33**	**1,54,939.92**	**5,079.87**
Non-financial liabilities						
Provisions	312.84	-	-	44.59	214.60	53.65
Deferred Tax Liabilities (net)	3,915.89	-	-	-	-	3,915.89
Other non-financial liablities	3,145.05	560.88	153.64	542.46	1,154.87	733.20
Sub total	**7,373.78**	**560.88**	**153.64**	**587.05**	**1,369.47**	**4,702.74**
Total liabilities	**2,92,142.86**	**27,937.66**	**23,298.81**	**74,814.39**	**1,56,309.38**	**9,782.61**

The table below summarises the maturity profile of the cash flows of the Company's financial assets and liabilities as at March 31, 2023:-

(₹ in lakhs)

Particulars	Carrying Amount	Not later than one month	Later than one month and not later than three months	Later than three months and not later than one year	Later than one year and not later than five years	Later than five years
ASSETS						
Financial assets						
Cash and Cash Equivalents	31,530.53	31,530.53	-	-	-	-
Bank balances other than cash and cash equivalents	1,764.78	27.24	416.58	1,320.97	-	-
Trade Receivables	309.54	-	232.16	77.39	-	-
Loans	2,37,293.26	7,576.55	13,808.26	44,524.39	92,765.50	78,618.55
Investments	4,637.98	3,524.13	29.58	-	323.32	760.94
Other Financial assets	9,409.14	271.62	1,675.48	3,033.21	4,180.35	248.48
Sub total	**2,84,945.23**	**42,930.06**	**16,162.07**	**48,955.95**	**97,269.19**	**79,627.97**
Non-financial assets						
Current tax assets (Net)	1,287.22	-	-	-	1,287.22	-
Property Plant and Equipment	1,487.30	-	-	-	-	1,487.30
Capital work-in-progress	389.59	-	389.59	-	-	-
Intangible Assets under development	277.92	-	-	277.92	-	-
Intangible Assets	2,972.25	-	-	-	-	2,972.25
Other Non Financial assets	1,374.23	201.36	389.66	783.21	-	-
Sub total	**7,788.51**	**201.36**	**779.25**	**1,061.13**	**1,287.22**	**4,459.55**
Total assets	**2,92,733.74**	**43,131.42**	**16,941.32**	**50,017.08**	**98,556.41**	**84,087.52**
LIABILITIES						
Financial liabilities						
Trade Payables	834.55	688.34	146.21	-	-	-
Debt Securities	14,125.35	617.81	1,184.87	4,629.51	7,693.16	-
Borrowings (Other than Debt Securities)	1,04,124.02	2,732.54	8,377.09	33,863.77	58,518.31	632.31
Other financial liabilities	30,632.24	20,853.38	8,562.15	985.03	231.68	-
Sub total	**1,49,716.16**	**24,892.06**	**18,270.32**	**39,478.32**	**66,443.16**	**632.31**
Non-financial liabilities						
Provisions	156.58	-	-	27.52	103.25	25.81
Deferred Tax Liabilities (net)	1,251.01	-	-	-	-	1,251.01
Other non-financial liablities	8,658.32	2,232.13	7.48	225.99	2,456.44	3,736.28
Sub total	**10,065.91**	**2,232.13**	**7.48**	**253.51**	**2,559.69**	**5,013.11**
Total liabilities	**1,59,782.07**	**27,124.19**	**18,277.79**	**39,731.83**	**69,002.85**	**5,645.42**

The table below summarises the maturity profile of the undiscounted contractual cashflow of the Company's financial liabilities

(₹ in lakhs)

Particulars	As at March 31, 2024			As at March 31, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Debt Securities	28,609.49	28,317.55	56,927.04	6,876.83	8,691.25	15,568.09
Borrowings (Other than Debt Securities)	1,01,341.78	1,52,902.13	2,54,243.91	53,930.13	64,783.90	1,18,714.02
Trade payable	2,380.44	-	2,380.44	834.55	-	834.55
Other financial liabilities	13,052.92	1,137.86	14,190.78	30,397.05	235.19	30,632.24
Total	**1,45,384.62**	**1,82,357.54**	**3,27,742.16**	**92,038.56**	**73,710.34**	1,65,748.90

c) Market risk (interest rate risk)

Market Risk is the possibility of loss arising from changes in the value of a financial instrument as a result of changes in market variables such as interest rates, exchange rates and other asset prices. The Company's exposure to market risk is a function of asset liability management and interest rate sensitivity assessment. The Company is exposed to interest rate risk and liquidity risk, if the same is not managed properly. The Company continuously monitors these risks and manages them through appropriate risk limits. The Asset Liability Management Committee ('ALCO') reviews market related trends and risks and adopts various strategies related to assets and liabilities, in line with the Company's risk management framework.

Exposure to interest rate risk

The group's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Financial assets		
Fixed-rate instruments	1,32,253.62	92,865.84
Floating-rate instruments	1,91,265.14	1,45,091.30
Sub- Total	**3,23,518.76**	**2,37,957.14**
Add: Accrued / Overdue Interest	5,370.44	2,693.07
Less: Unamortized cost / Impairment loss allowance	(5,266.66)	(3,356.95)
Total	**3,23,622.54**	**2,37,293.26**
Financial Liabilities		
Fixed-rate instruments	72,570.64	10,976.09
Floating-rate instruments	1,96,043.00	1,07,887.74
Sub- Total	**2,68,613.64**	**1,18,863.83**
Add: Accrued Interest	1,612.78	245.41
Less: Unamortized cost	(2,063.60)	(859.87)
Total	**2,68,162.82**	**1,18,249.37**

Fair value sensitivity analysis for Floating-rate instruments

The sensitivity analysis below have been determined based on exposure to the interest rates for financial instruments at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in case of instruments that have floating rates.

If interest rates had been 100 basis points higher or lower and all other variables were constant, the Company's profit before tax would have changed by the following:

(₹ in lakhs)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	100 bps higher	100 bps lower	100 bps higher	100 bps lower
Floating rate loans	2,481.72	(2,481.72)	1,285.26	(1,285.26)
Floating rate borrowings	(1,361.38)	1,361.38	(583.52)	583.52
	1,120.34	**(1,120.34)**	**701.74**	**(701.74)**

d) Operational risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events. The operational risks of the Group are managed through comprehensive internal control systems and procedures. Failure of manageing operational risk might lead to legal / regulatory implications due to non-compliance and lead to financial loss due to control failures. While it is not practical to eliminate all the operational risk, the Group has put in place adequate control framework by way of segregation of duties, well defined process, staff training, maker and checker process, authorisation and clear reporting structure. The effectiveness of control framework is assessed by internal by Risk Management committee on a periodic basis.

e) Foreign currency risk

In the normal cource of business, the company does not deal in foreign exchange in the significant way. Any significant foreign exchange borrowings is fully hedged to safeguard against exchange rate risk.

The company's exposure of foreign currency risk at the end of the reporting period as follow

Particulars	As at March 31, 2024	As at March 31, 2023
Hedged		
ECB	USD 33,000,000	-
Derivative financial instrument	USD 33,000,000	-

44. Fair Value measurement

44.1 Valuation principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., 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:

Level 1 – valuation technique using quoted market price: financial instruments with quoted prices for identical instruments in active markets that company can access at the measurement date.

Level 2 – valuation technique using observable inputs: 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.

Level 3 – valuation technique with significant unobservable inputs: Those that include one or more unobservable input that is significant to the measurement as whole.

44.2 Valuation governance framework

The Company's fair value methodology and the governance over its models includes a number of controls and other procedures to ensure appropriate safeguards are in place to ensure its quality and adequacy. All new product initiatives (including their valuation methodologies) are subject to approvals by various functions of the Company including the risk and finance functions.

Where fair values are determined by reference to externally quoted prices or observable pricing inputs to models, independent price determination or validation is used. For inactive markets, Company sources alternative market information, with greater weight given to information that is considered to be more relevant and reliable.

The responsibility of ongoing measurement resides with the business and product line divisions. However finance department is also responsible for establishing procedures governing valuation and ensuring fair values are in compliance with accounting standards.

44.3 There have been no transfers between levels during the period ended March 31, 2024 and year ended March 31, 2023.

44.4 Valuation methodologies adopted Fair values of financial assets, other than those which are subsequently measured at amortised cost, have been arrived at as under:
- Fair values of investments held under FVTPL have been determined under level 1 using quoted market prices of the underlying instruments;
- Fair values of financial instruments designated under amortised cost have been measured under level 3 at fair value based on a discounted cash flow model.

44.5 Fair value of financial instruments not measured at fair value:

The table 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

As at March 31, 2024 (₹ in lakhs)

Particulars	Carrying Value (Amortised Cost)	Fair value measurement using			Total
		Level 1	Level 2	Level 3*	
Financial Assets					
Loans	3,23,622.54	-	-	3,23,622.54	3,23,622.54
Other financial assets	23,898.32	-	-	23,898.32	23,898.32
Investment and Financial Receivables					-
Investment	30,002.64	26,150.57		3,852.07	30,002.64
Investment in Government Securities	25,899.76	25,899.76	-	-	25,899.76
Investment in ULIP	47.62	47.62			47.62
Investment in Mutual Funds	203.19	203.19	-	-	203.19
Invesment in PTC's	3,852.07	-	-	3,852.07	3,852.07
Total Financial Assets	**3,77,523.50**	**26,150.57**	**-**	**3,51,372.93**	**3,77,523.50**
Financial Liabilities					
Debt Securities	50,855.32	-	-	50,855.32	50,855.32
Borrowings	2,17,307.50	-	-	2,17,307.50	2,17,307.50
Other financial liabilities	14,190.78	-	-	14,190.78	14,190.78
Total Financial Liabilities	**2,82,353.60**	**-**	**-**	**2,82,353.60**	**2,82,353.60**

As at March 31, 2023 (₹ in lakhs)

Particulars	Carrying Value (Amortised Cost)	Fair value measurement using			Total
		Level 1	Level 2	Level 3*	
Financial Assets					
Loans	2,37,293.26	-	-	2,37,293.26	2,37,293.26
Other financial assets	9,409.14	-	-	9,409.14	9,409.14
Investment and Financial Receivables					-
Investment	3,876.98	3,553.99	-	322.99	3,876.98
Total Financial Assets	**2,50,579.38**	**3,553.99**	**-**	**2,47,025.39**	**2,50,579.38**
Financial Liabilities					
Debt Securities	14,125.35	-	-	14,125.35	14,125.35
Borrowings	1,04,124.02	-	-	1,04,124.02	1,04,124.02
Other financial liabilities	30,632.24	-	-	30,632.24	30,632.24
Total Financial Liabilities	**1,48,881.61**	**-**	**-**	**1,48,881.61**	**1,48,881.61**

* The carrying value of assets and liabilities at amortised cost represents a reasonable approximation of fair value.

45. Lease Accounting

The Company has entered into leasing arrangements for premises. Right of Use Assets ("ROU") has been included under 'Property, Plant and Equipment' and Lease Liability has been included under 'Other Financial Liabilities' in the Balance Sheet.

45.1 Following are the changes in the carrying value of right of use assets (ROU):

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	**639.32**	**577.08**
Addition during the year	2,347.68	451.88
Disposals during the year	(288.39)	-
Depreciation for the year	(831.81)	(389.64)
Balance as at the end of the year	**1,866.80**	**639.32**

45.2 The following is the movement in lease liabilities:

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	**673.19**	**596.72**
Addition during the year	2,347.68	451.88
Finance cost accrued during the year	181.25	61.44
Payment of Lease liabilities made during the year	(952.28)	(436.85)
Disposal during the period	(303.04)	-
Balance as at the end of the year	**1,946.80**	**673.19**

45.3 The table below provides details regarding the contractual maturities of lease liabilities as of March 31, 2024 on an undiscounted basis:

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Less than one year	1,036.94	479.61
Between one and five years	1,214.06	242.65
More than five years	-	-
Total	**2,251.00**	**722.27**

45.4 Expenses recognised in the statement of Profit and Loss:

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Depreciation expense on right-of-use assets	831.81	389.64
Interest expense on lease liabilities	181.25	61.44
Expense relating to short-term leases	388.03	320.20
Expense relating to leases of low value assets	-	-

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

45.5 Amount recognised in the statement of Cash flow:

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Total cash outflow for leases	952.28	436.85

Protium Finance Limited
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Notes to the Standalone Financial Statements

46. Disclosure of transactions with related parties as required by Ind AS 24:

a. List of related parties and relationship:

Name of related parties by whom control is exercised (Holding company)	Consilience Capital Management
Subsidiaries	Protium Business Services Private Limited Shibui Technologies Private Limited (Incorporated on March 24, 2023)
Key Management Personnel (KMP)	Mr. Peeyush Misra - (Manageing Director & CEO) Mr. Peruvemba Ramachandran Seshadri - Independent Director (resigned w.e.f. 13-09-2023) Mr. Gurvinder Juneja - Whole Time Director (resigned w.e.f. May 06, 2022) Mr. Parveen Kumar Gupta - Independent Director Ms. Anuradha Rao - Independent Director (appointed wef 29-08-2023) Ms. Dakshita Das - Independent Director (appointed wef 16.02.2024) Mr. Sitaram Kunte - Independent Director (appointed wef 16.02.2024)

b. Transactions with Related Parties: (₹ in lakhs)

Nature of transactions	Period	Holding Company	Subsidiary Companies	KMP	Other than KMP
Investment from Holding Company	FY 2024	5,013.55	-	-	-
	FY 2023	-	-	-	-
Conversion of CCPS into Equity	FY 2024	-	-	-	-
	FY 2023	7,171.13	-	-	-
Investment in Subsidiary Companies	FY 2024	-	-	-	-
	FY 2023	-	251.00	-	-
Commission	FY 2024	-	1,742.27	52.32	-
	FY 2023	-	1,106.74	24.00	-
Fees received on behalf of Subsidiary	FY 2024	-	2,071.34	-	-
	FY 2023	-	1,535.08	-	-
Other Reimbursements	FY 2024	-	-	-	-
	FY 2023	-	253.97	-	-
Cross Charge	FY 2024	-	675.26	-	-
	FY 2023	-	68.77	-	-
Sitting Fees	FY 2024	-	-	51.23	-
	FY 2023	-	-	49.00	-

Note :The remuneration to the key managerial personnel does not include the provisions made for gratuity benefits, as they are determined on an actuarial basis for the Company as a whole.

c. Related Parties Balance outstanding at year end are as follows:

(₹ in lakhs)

Particulars	Period	Holding Company	Subsidiary Companies	KMP	Other than KMP
Investments in Subsidiary Companies	FY 2024	-	761.00	-	-
	FY 2023	-	761.00	-	-
Other Payables	FY 2024		-	-	-
	FY 2023	-	443.56	-	-
Other Receivables	FY 2024	-	-	-	-
	FY 2023	-	-	-	-

d. Details of sitting Fees and commission paid to non executive director are as under :

Nature of transactions	Period	₹ in lakhs
Sitting Fees and Commission Paid		
Mr. Peruvemba Ramachandran Seshadri	FY 2024	26.16
	FY 2023	50.00
Mr. Parveen Kumar Gupta	FY 2024	65.40
	FY 2023	23.00
Ms. Anuradha Rao	FY 2024	11.99
	FY 2023	-

Note:

1. Name of the related parties and nature of their relationships where control exists have been disclosed irrespective of whether or not there have been transactions with the company. In other cases, disclosure has been made only when there have been transactions with those parties.
2. Related parties as defined under clause 9 of the Indian Accounting Standard-24 'Related Party Disclosures' have been identified based on representations made by key managerial personnel and information available with the Company. All above transactions are in the ordinary course of business and on arms length basis.
3. Director sitting and commission including ineligible GST input for FY 2023-24.

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Notes to the Standalone Financial Statements

47. Rating assigned by the Rating Agencies during the year.

(₹ in lakhs)

Instrument	Credit Rating Agency	As at March 31, 2024			As at March 31, 2023		
		Rating Amount	Date	Rating	Rating Amount	Date	Rating
Bank Loan Ratings	Acuite Ratings & Research Limited	2,00,000.00	09-Jan-24	ACUITE AA- (Outlook : Stable)	1,00,000.00	16-Feb-23	Acuite A+ (Outlook : Positive)
Non -Convertible Debentures	Acuite Ratings & Research Limited	7,500.00	09-Jan-24	ACUITE AA- (Outlook : Stable)	7,500.00	16-Feb-23	PP-MLD | Acuite A+ | Positive
Non -Convertible Debentures	Acuite Ratings & Research Limited	15,000.00	09-Jan-24	ACUITE AA- (Outlook : Stable)	NA	NA	NA
Commercial Paper	Acuite Ratings & Research Limited	10,000.00	09-Jan-24	ACUITE A1+	10,000.00	16-Feb-23	Acuite A1+
Pass Through Certificates – Consilience BL 2203 (Series A1 Investor)	-	-	-	Acuite AA | SO (Structured Obligations)	3,262.00	01-Jun-22	Acuite AA | SO (Structured Obligations)
Pass Through Certificates – Consilience BL 2206 (Series A1 Investor)	-	-	-	Acuite AA | SO (Structured Obligations)	3,526.00	29-Sep-22	Acuite AA | SO (Structured Obligations)
Pass Through Certificates – Consilience BL 220601 (Series A1 Investor)	-	-	-	IND AA SO (Structured Obligations) / Stable	1,977.00	23-Aug-22	IND AA SO (Structured Obligations) / Stable
Pass Through Certificates – Consilience BL 2208 (Series A1 Investor)	India Ratings & Research Private Limited	601.00	12-Jan-24	IND AA SO (Structured Obligations) / Stable	2,108.00	19-Jan-23	IND AA SO (Structured Obligations) / Stable
Pass Through Certificates – Turiya -BL 2211 (Series A1 Investor)	India Ratings & Research Private Limited	794.10	15-Jan-24	IND AA SO (Structured Obligations) / Stable	1,833.60	25-Jan-23	IND AA SO (Structured Obligations) / Stable
Pass Through Certificates – Turiya BL - 2302 (Series A1 Investor)	India Ratings & Research Private Limited	854.50	18-Mar-24	IND AA + SO (Structured Obligations) / Stable	2,366.00	02-Mar-23	Provisional IND AA SO (Structured Obligations) / Stable
Pass Through Certificates – Turiya BL 230602	India Ratings & Research Private Limited	3,124.20	31-Jul-23	IND AA SO (Structured Obligations) / Stable	NA	NA	NA
Pass Through Certificates – Turiya BL - 230703	India Ratings & Research Private Limited	2,197.30	30-Aug-23	IND AA SO (Structured Obligations) / Stable	NA	NA	NA
Pass Through Certificates – Turiya BL 230501	India Ratings & Research Private Limited	3,110.00	31-May-23	IND AA SO (Structured Obligations) / Stable	NA	NA	NA
Pass Through Certificates – Turiya BL-2304	Care Ratings Limited	6,846.00	10-Jul-23	CARE AA SO (Structured Obligations)	NA	NA	NA
Pass Through Certificates – Turiya EDI-230801	Care Ratings Limited	3,504.00	22-Dec-23	CARE AA SO (Structured Obligations)	NA	NA	NA
Pass Through Certificates – Turiya EDI - 230601	Care Ratings Limited	5,189.00	4-Aug-23	CARE AA+ SO (Structured Obligations)	NA	NA	NA
Pass Through Certificates – Turiya LAP - 230701	ICRA Limited	6,824.00	20-Nov-23	ICRA AA+ SO (Structured Obligations)	NA	NA	NA
Pass Through Certificates – Turiya LAP - 230802	ICRA Limited	3,121.00	20-Dec-23	ICRA AA+ SO (Structured Obligations)	NA	NA	NA
Pass Through Certificates – Turiya LAP - 2401	ICRA Limited	2,949.00	14-Mar-24	ICRA AA+ SO (Structured Obligations)	NA	NA	NA
Pass Through Certificates – Turiya BL - 2310	ICRA Limited	5,135.00	23-Jan-24	ICRA AA SO (Structured Obligations)	NA	NA	NA
Pass Through Certificates – Turiya BL-2311	India Ratings & Research Private Limited	7,250.00	24-Nov-23	IND AA - SO (Structured Obligations) / Stable	NA	NA	NA
Pass Through Certificates – Turiya BL-231201	India Ratings & Research Private Limited	3,124.00	26-Dec-23	IND AA - SO (Structured Obligations) / Stable	NA	NA	NA

48. Disclosure pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023

a. Analytical Ratios

(₹ in lakhs)

Particulars	Numerator	Denominator	Current Period	Previous Period	Variance
(i) CRAR %	2,03,899.44	3,52,404.18	57.86%	59.62%	-1.76%
(ii) CRAR - Tier I Capital (%)	2,03,899.44	3,52,404.18	57.86%	59.39%	-1.53%
(iii) CRAR - Tier II Capital (%)	-	3,52,404.18	0.00%	0.23%	-0.23%
(iv) Liquidity coverage ratio (%)			330.96%	106.53%	224.43%
(iv) Amount of subordinated debt raised as Tier II capital	-	-	-	-	
(v) Amount raised by issue of Perpetual debt Instruments	-	-	-	-	

b. Disclosure on Risk Exposure in Derivatives

Qualitative Disclosure

Details for qualitative disclosure are part of accounting policy as per financial statements. (Refer note No. 3.10 & 43)

Quantitative Disclosures (₹ in lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
Derivatives (Notional Principal Amount)				
For hedging	27,464	-	-	-
Marked to Market Position				
a) Asset (+)	-	-	-	-
b) Liability (-)	(35.04)	-	-	-
Credit Exposure	-	-	-	-
Unhedged Exposures	-	-	-	-

c. Disclosure on Exposure to Real Estate Sector

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Residential Mortgages -		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	1,01,882.35	71,376.89
(ii) Commercial Real Estate -		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure shall also include non-fund based limits	81,245.93	71,943.41
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
a. Residential	-	-
b. Commercial Real Estate	-	-
(iv) Indirect Exposure	-	-
Total Exposure to Real Estate Sector	**1,83,128.28**	**1,43,320.30**

48. Disclosure pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 (Continued)

d. Disclosure on Investments

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(1) Value of Investments		
(i) Gross Value of Investments		
(a) In India	30,764.23	4,638.34
(a) Outside India,	-	-
(ii) Provision for Depreciation		
(a) In India	0.59	0.36
(a) Outside India,	-	-
(iii) net Value of Investments		
(a) In India	30,763.64	4,637.98
(a) Outside India,	-	-
(2) Movement of provisions held		
(i) Opening balance	0.36	4.23
(ii) Add : Provisions made during the	-	-
(iii) Less : Write-off / write-back of	(0.23)	3.87
(iv) Closing balance	**0.59**	**0.36**

e. Asset Liability Management:

Maturity pattern of certain items of assets and liabilities as on March 31, 2024 (₹ in lakhs)

Particulars	1 - 7 Days	8 - 14 Days	15- 30 Days	Over 1 month to 2 months	Over 2 months 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
Liabilities											
Borrowings (other than Debt Securities)	1,185.42	405.32	15,114.00	4,998.14	12,119.74	22,965.91	44,405.01	1,28,212.00	23,085.11	5,079.87	**2,57,570.52**
Debt Securities	-	-	2,558.08	-	-	5,564.31	-	2,469.91	-	-	**10,592.30**
Inter-corporate deposits	-	-	-	-	-	-	-	-	-	-	**-**
Foreign currency liabilities	-	-	-	-	-	-	-	-	-	-	**-**
Assets											
Loans	12,826.04	1,485.51	0.01	9,032.89	9,357.01	25,001.05	39,928.87	93,460.04	44,770.93	87,760.19	**3,23,622.54**
Investments	4,497.39	3,992.43	9,463.53	7,945.91	-	203.19	-	3,852.59	-	808.60	**30,763.64**
Foreign currency assets	-	-	-	-	-	-	-	-	-	-	**-**

Maturity pattern of certain items of assets and liabilities as on March 31, 2023 (₹ in lakhs)

Particulars	1 - 7 Days	8 - 14 Days	15- 30 Days	Over 1 month to 2 months	Over 2 months 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
Liabilities											
Borrowings (other than Debt Securities)	465.56	82.86	2,184.11	2,642.07	5,735.02	11,648.55	22,215.22	54,532.22	3,986.10	632.31	**1,04,124.02**
Debt Securities	-	-	617.81	600.04	584.83	1,735.22	2,894.28	7,693.16	-	-	**14,125.35**
Inter-corporate deposits	-	-	-	-	-	-	-	-	-	-	**-**
Foreign currency liabilities	-	-	-	-	-	-	-	-	-	-	**-**
Assets											
Loans	6,794.96	644.50	137.09	7,070.19	6,738.07	18,213.58	26,310.81	58,384.46	34,381.05	78,618.55	**2,37,293.26**
Investments	1,998.05	1,496.65	29.44	29.58	-	-	-	323.32	-	760.94	**4,637.98**
Foreign currency assets	-	-	-	-	-	-	-	-	-	-	**-**

a) Overdue Receivable for non-performing loans and advances have been slotted in respective time bucket category as per instructions contained in Appendix 1 of Guidelines for Assets Liabilities Management (ALM) system in NBFC.
b) Classification of asset and Liabilities under maturity bucket is based on some estimates and assumptions and derived from internal MIS prepared by the company followed consistently.

49. Disclosure pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023

a. Funding Concentration based on significant counterparty (both deposits and borrowings)

As at	No of Significant Counterparties*	Amount in lakhs	% of total Deposits	% of Total Liabilities
March 31, 2024	18	1,97,292.93	NA	67.53%
March 31, 2023	20	96,789.66	NA	60.13%

*Significant Counterparties are defined as - A single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the Company's total liabilities.

b.i Top 20 large deposits – Not Applicable

b.ii Top 10 Borrowings

(₹ in lakhs)

Sr No.	Name of the instrument	As at March 31, 2024	As at March 31, 2023
1	Total Borrowings outstanding	2,68,162.82	1,18,249.37
2	Top 10 borrowings outstanding	1,59,369.82	76,289.34
3	Top 10 as a percentage of total outstanding	59.43%	64.52%

c. Funding Concentration based on significant instrument/product

Sr No.	Name of the instrument	As at March 31, 2024		As at March 31, 2023	
		Amount in lakhs	% of Total Liabilities	Amount in lakhs	% of Total Liabilities
1	Term Loan	1,78,491.51	61.10%	1,03,726.06	64.92%
2	External Commercial Borrowings	27,665.66	9.47%	-	0.00%
3	Sub-ordinate Debt	-	0.00%	-	0.00%
4	Inter-Corporate Deposits	-	0.00%	-	0.00%
5	Working capital / short term facilities	11,150.33	3.82%	397.96	0.25%
6	Non Convertible Debentures	10,592.30	3.63%	5,024.26	3.14%
7	Pass Through certificates – Securitization	40,263.02	13.78%	9,101.09	5.70%
	Total	**2,68,162.82**	**91.79%**	**1,18,249.37**	**74.01%**

d. Stock Ratios

(₹ in lakhs)

Sr No.	Particulars	As at March 31, 2024	As at March 31, 2023
1	Commercial Papers to Total Liabilities	NA	NA
2	Commercial Papers to Total Assets	NA	NA
3	NCDs (Original Maturity < 1 year) to Total Liabilities	NA	NA
4	NCDs (original Maturity < 1 year) to Total Assets	NA	NA
5	Other Short Term Liabilities to Total Liabilities	43.15%	41.65%
6	Other Short Term Liabilities to Total Assets	24.20%	21.81%

e. Institutional set-up for liquidity risk management:

The Company has an Asset Liability Management Committee (ALCO), a management level committee to handle liquidity risk management. The ALCO meetings are held at periodic intervals which oversees the liquidity risk management. The Board has the overall responsibility for management of liquidity risk. The Board decides the strategy, policies and procedures of the NBFC to manage liquidity risk in accordance with the liquidity risk tolerance/limits decided by it. The ALCO consisting of the Company's top management is responsible for ensuring adherence to the risk tolerance/limits set by the Board as well as implementing the liquidity risk management strategy of the Company.
The Company also has a funding strategy that provides effective diversification in the sources and tenure of funding. It maintains an ongoing presence in its chosen funding markets and strong relationships with fund providers to promote effective diversification of funding sources. The Company regularly gauges its capacity to raise funds quickly from each source. There is no over-reliance on a single source of funding.
The Company has appropriate internal controls, systems and procedures to ensure adherence to liquidity risk management policies and procedure.

Disclosure pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 (continued)

f. Disclosure on Liquidity Coverage Ratio

Disclosure in pursuant of para 89 of (Master Direction – Reserve Bank of India Non-Banking Financial Company - Scale Based Regulation) Directions, 2023. NBFCs with assets more than Rs 5,000 cr, required to maintain Liquidity Coverage Ratio (LCR) as mentioned therein.

As on 31st December 2023, our Company has crossed Rs 5,000 Cr assets mark and adopted to start complying with the monitoring and tracking of Liquidity Coverage Ratio (LCR) as part of Liquidity Risk Management framework from 1st January 2024 onwards as per RBI guidelines. The objective of this policy is to create an institutional mechanism to compute, review and monitor periodically all the elements of the liquidity, develop suitable Liquidity Risk Management Framework, identify potential risks, take suitable decisions and mitigate such risks.

As per RBI guidelines to ensure strong liquidity, NBFCs shall maintain an adequate level of unencumbered High Quality Liquid Assets (HQLA) that can be converted into cash to meet its liquidity needs for a 30 day calendar time horizon under a significantly severe liquidity stress scenario.

The Company follows the criteria laid down by RBI for calculation of Liquidity coverage Ratio (LCR) which is represented by the ratio "Stock of HQLA" divided by "Total Net Cash Outflows over the next 30 calendar days". Total expected cash outflows (stressed outflows) are calculated by multiplying the outstanding balances of various categories or types of liabilities and off-balance sheet commitments by 115% (15% being the rate at which they are expected to run off further or be drawn down). Total expected cash inflows (stressed inflows) are calculated by multiplying the outstanding balances of various categories of contractual receivables by 75% (25% being the rate at which they are expected to under-flow). However, total cash inflows will be subjected to an aggregate cap of 75% of total expected cash outflows. In other words, total net cash outflows over the next 30 days = Stressed Outflows - Min (stressed inflows; 75% of stressed outflows).

Company for purpose of computing cash outflows, have considered:

1. Secured wholesale funding i.e., all the contractual debt repayments,
2. Liquidity needs (e.g., collateral calls) related to financing transactions, derivatives and other contracts where 'downgrade triggers' up to and including a 3-notch downgrade,
3. Currently undrawn committed credit and liquidity facilities,
4. Any other contractual outflows not captured elsewhere in the template i.e., operational expenditure.

Cash Inflows comprises of:

1. All other assets i.e., expected receipt from all performing loans,
2. Lines of credit – Credit or liquidity facilities or other contingent funding facilities that the NBFC holds at other institutions for its own purpose (Facilities which are sanctioned but not yet disbursed)

HQLA is considered as per RBI guidelines.

Sr. No.	Particulars	Total Unweighted Value (average)	Total Weighted value (average)
High quality liquid assets			
1	High Quality Liquid Assets		
	Assets to be included as HQLA without any haircut		
	(i) Cash on hand	-	-
	(ii) Bank balance	8,743.41	8,743.41
	(iii) Government securities	39,192.31	39,192.31
	Total HQLA	**47,935.72**	**47,935.72**
Cash outflows			
2	Deposits (for deposit taking companies)	-	-
3	Unsecured wholesale funding	11,789.74	13,558.21
4	Secured wholesale funding	26,007.63	29,908.77
5	Additional requirements, of which		
a	Outflows related to derivative exposures and other collateral requirements	-	-
b	Outflows related to loss of funding on debt products	-	-
c	Credit and liquidity facilities	-	-
6	Other contractual funding obligations	12,581.70	14,468.95
7	Other contingent funding obligations	-	-
8	**Total cash outflows**	**50,379.07**	**57,935.93**
Cash Inflows			
9	Secured lending	-	-
10	Inflows from fully performing exposures	9,101.23	6,825.93
11	Other cash inflows	84,587.37	63,440.52
12	Total cash inflows	**93,688.60**	**70,266.45**
			Total Adjusted Value
13	**Total HQLA**		**47,935.72**
14	**Total net cash outflows**		**14,483.98**
15	**Liquidity coverage ratio (%)**		**330.96%**

Protium Finance Limited
(Formerly known as Growth Source Financial Technologies Limited)

Notes to the Standalone Financial Statements

50. Disclosure pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023

a. Sectoral exposure

(₹ in lakhs)

Sectors	As at March 31, 2024			As at March 31, 2023		
	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	-	-	-	-	-	-
2. Industry						
Food & beverages	17,343.87	154.89	0.89%	27,101.36	323.97	1.20%
Textiles	13,021.73	185.28	1.42%	17,642.24	236.92	1.34%
Others	83,917.53	1,143.52	1.36%	62,654.34	326.12	0.52%
Total of industries	**1,14,283.13**	**1,483.69**	**1.30%**	**1,07,397.93**	**887.01**	**0.83%**
3. Services						
Education/Professional	79,598.29	1,736.60	2.18%	41,515.19	-	0.00%
Retail trade	97,614.10	1,542.46	1.58%	14,474.35	143.10	0.99%
Others	13,807.27	-	0.00%	58,739.25	270.86	0.46%
Total of services	**1,91,019.66**	**3,279.06**	**1.72%**	**1,14,728.79**	**413.96**	**0.36%**
4. Personal Loans						
Consumer loans	34,084.63	645.49	1.89%	24,813.77	307.97	1.24%
Total of personal loans	**34,084.63**	**645.49**	**1.89%**	**24,813.77**	**307.97**	**1.24%**
Grand total	**3,39,387.41**	**5,408.24**	**1.59%**	**2,46,940.49**	**1,608.94**	**0.65%**

b. Intra-group exposures:

(₹ in lakhs)

Sr no	Particulars	As at March 31, 2024	As at March 31, 2023
1	Total amount of Intra-group exposures	-	-
2	Total amount of top 20 intra-group exposures	-	-
3	Percentage of intra-group exposures to total exposure of the NBFC	-	-

c. Unhedged foreign currency exposure - NIL

d. Related party Disclosures

(₹ in lakhs)

Nature of transaction	For the year ended March 31, 2024							
	Holding Company	Subsidiary Company	Associates/Joint Ventures	Key Managerial Personnel (KMP)	Relative of KMP	Others	Total	Maximum outstanding during the year
Borrowings#	-	-	-	-	-	-	-	-
Deposits#	-	-	-	-	-	-	-	-
Placement of deposits#	-	-	-	-	-	-	-	-
Advances#	-	-	-	-	-	-	-	-
Investment#	-	761.00	-	-	-	-	761.00	761.00
Other Payables	-	-	-	-	-	-	-	-
Purchase of fixed/other assets	-	-	-	-	-	-	-	NA
Sale of fixed / other assets	-	-	-	-	-	-	-	NA
Interest Paid	-	-	-	-	-	-	-	NA
Interest Received	-	-	-	-	-	-	-	NA
Services Provided	-	675.26	-	-	-	-	675.26	NA
Services received	-	1,742.27	-	-	-	-	1,742.27	NA
Others	-	-	-	403.55	-	-	403.55	NA
Fees received on behalf of	-	2,071.34	-	-	-	-	2,071.34	NA
Other reimbursements	-	-	-	-	-	-	-	NA
Equity infusion	5,013.55	-	-	-	-	-	5,013.55	NA
Conversion of CCPS into Equity	-	-	-	-	-	-	-	NA

 # The outstanding at the year end and the maximum during the year.

(₹ in lakhs)

Nature of transaction	For the year ended March 31, 2023							
	Holding Company	Subsidiary Company	Associates/Joint Ventures	Key Managerial Personnel (KMP)	Relative of KMP	Others	Total	Maximum outstanding during the year
Borrowings#	-	-	-	-	-	-	-	-
Deposits#	-	-	-	-	-	-	-	-
Placement of deposits#	-	-	-	-	-	-	-	-
Advances#	-	-	-	-	-	-	-	-
Investment#	-	761.00	-	-	-	-	761.00	761.00
Other Payables	-	443.56	-	-	-	-	443.56	NA
Purchase of fixed/other assets	-	-	-	-	-	-	-	NA
Sale of fixed / other assets	-	-	-	-	-	-	-	NA
Interest Paid	-	-	-	-	-	-	-	NA
Interest Received	-	-	-	-	-	-	-	NA
Services Provided	-	68.77	-	-	-	-	68.77	NA
Services received	-	1,106.74	-	-	-	-	1,106.74	NA
Others	-	-	-	349.20	-	-	349.20	NA
Fees received on behalf of	-	1,535.08	-	-	-	-	1,535.08	NA
Other reimbursements	-	253.97	-	-	-	-	253.97	NA
Equity infusion	-	-	-	-	-	-	-	NA
Conversion of CCPS into Equity	7,171.13	-	-	-	-	-	7,171.13	NA

 # The outstanding at the year end and the maximum during the year.

e. Disclosures of complaint

Sr. No	Particulars	As at March 31, 2024	As at March 31, 2023
	Complaints received by the NBFC from its customers:		
1.	Number of complaints pending at beginning of the year	2	3
2.	Number of complaints received during the year	11	28
3.	Number of complaints disposed during the year	13	29
3.1	Of which, number of complaints rejected by the NBFC	0	0
4.	Number of complaints pending at the end of the year	0	2
	Maintainable complaints received by the NBFC from Office of Ombudsman:		
5.*	Number of maintainable complaints received by the NBFC from Office of Ombudsman	79*	56
5.1.	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	75	56
5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	1	0
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	0	0
6.*	Number of Awards unimplemented within the stipulated time (other than those appealed)	0	0

*Out of 79 complaints received from office of ombudsman, 76 complaints have been closed by RBI and 3 is pending for closure however, the Company has submitted the response within the timeline.

Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously The Ombudsman Scheme for Non-Banking Financial Companies, 2018) and covered within the ambit of the Scheme.
*It shall only be applicable to NBFCS which are included under The Reserve Bank - Integrated Ombudsman Scheme, 2021.

f) Top five grounds of complaints received by the NBFCs from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	**2**	**3**	**4**	**5**	**6**
			As at March 31, 2024		
Service Related	2	53	29.00%	-	-
Behavior Related	-	1	-	-	-
Refund Related	-	9	125.00%	-	-
Third Party	-	17	-41.00%	-	-
Others	-	10	11.00%	-	-
Total	**2**	**90**	**7.14%**	**-**	**-**
			As at March 31, 2023		
Service Related	3	41	65.85%	2	-
Behavior Related	-	1	0.00%	-	-
Refund Related	-	4	0.00%	-	-
Third Party	-	29	100.00%	-	-
Others	-	9	0.00%	-	-
Total	3	**84**	**66.67%**	**2**	-

g) Breach of covenant
There is no breach of covenant of loan availed or debt securities issued.

h) Divergence in Asset Classification and Provisioning
No disclosure on divergence in asset classification and provisioning for NPAs is required with respect to RBI's supervisory inspection for the year ended March 31, 2023 as per Master Direction – Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023

51. Disclosure pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023

a. Registration obtained from other financial sector regulators

The Company is registed with the Reserve Bank of India ('RBI') as a non-deposit taking, Non Banking Finance Company ('NBFC'), vide certificate number N-13.02374. The Company has been classified as an Investment and Credit Company vide certificate number N-13.02374.

The Company got converted to Public Limited Company on April 12, 2022.
The Company has changed the name from Growth Source Financial Technologies Limited to Protium Finance Limited on June 01, 2022.

b. Disclosure of penalties imposed by RBI and other regulators - Nil

c. Exposure to Capital Market

(₹ in lakhs)

Particulars	**As at March 31, 2024**	**As at March 31, 2023**
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;	203.19	-
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;	-	-
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;	-	-
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;	-	-
Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
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;	-	-
Bridge loans to companies against expected equity flows / issues;	-	-
Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
Financing to stockbrokers for margin trading	-	-
All exposures to Alternative Investment Funds:		
(i) Category I	-	-
(ii) Category II	-	-
(iii) Category III	-	-
Others	47.62	
Total Exposure to Capital Market	**250.81**	**-**

d. Provisions and Contingencies

(₹ in lakhs)

Sr. No.	**Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account**	**For the year ended March 31, 2024**	**For the year ended March 31, 2023**
i	Provision for depreciation on Investment	0.23	(3.87)
ii	Provision towards NPA	1,672.67	638.76
iii	Provision made towards Income tax	1,483.57	1,034.97
iv	**Other Provision and Contingencies (with details)**		
(a)	Provision for other employee benefits	-	-
(b)	Provision for Leave Encashment	17.07	9.07
(c)	Provision for Gratuity	139.19	82.56
(d)	Provision for Standard Assets	237.04	1,616.50
(e)	Provision for trade receivables	14.07	(8.88)

Protium Finance Limited
(Formerly known as Growth Source Financial Technologies Limited)

Notes to the Standalone Financial Statements

51. Disclosure pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation)Directions, 2023

e. Concentration of Advances

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Total advances to twenty largest borrowers*	13,721.31	11,003.82
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	4.17%	4.54%

* Only principal outstanding

f. Concentation of Exposures

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Total Exposure to twenty largest borrowers/customers	13,823.59	11,080.15
Percentage of Exposures to twenty largest borrowers/customers to Total Exposure of the NBFC on borrowers/customers	4.20%	4.58%

g. Concentration of NPAs

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Total exposure to top four NPA Accounts	655.89	282.04

h. Sector-wise NPAs

Sector	Percentage of NPAs to Total Advances in that sector as at March 31, 2024	Percentage of NPAs to Total Advances in that sector as at March 31, 2023
(i) Agriculture & allied activities	-	-
(ii) MSME	1.30%	0.83%
(iii) Corporate borrowers	0.00%	0.00%
(iv) Services	1.72%	0.36%
(v) Unsecured personal loans	1.89%	1.24%
(vi) Others	0.00%	0.00%

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Notes to the Standalone Financial Statements

51. Disclosure pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation)Directions, 2023

i. Movement of NPAs

(₹ in lakhs)

Sr. No.	Particulars		As at March 31, 2024	As at March 31, 2023
i	Net NPAs to Net Advances (%)		0.91%	0.33%
ii	Movement of NPAs (Gross)			
	a)	Opening Balance	1,588.94	225.83
	b)	Additions during the year	10,929.55	6,116.17
	c)	Reductions during the year	(7,110.25)	(4,753.06)
	d)	Closing balance	5,408.23	1,588.94
iii	Movement of Net NPAs			
	a)	Opening Balance	783.58	59.22
	b)	Additions during the year	5,810.52	3,532.38
	c)	Reductions during the year	(3,663.89)	(2,808.03)
	d)	Closing balance	2,930.21	783.58
iv	Movement of provisions for NPAs (excluding provisions on standard assets)			
	a)	Opening Balance	805.36	166.61
	b)	Additions during the year	5,119.03	2,583.79
	c)	Reductions during the year	(3,446.36)	(1,945.04)
	d)	Closing balance	2,478.03	805.36

j. Disclosure of Complaints

(₹ in lakhs)

Sr. No.	Particulars	As at March 31, 2024	As at March 31, 2023
i	No. of complaints pending at the beginning of the year	2	3
ii	No. of complaints received during the year	90	84
iii	No. of complaints redressed during the year	92	85
iv	No. of complaints pending at the end of the year	-	2

k. Information on instances of fraud:

Instances of fraud for the year ended March 31, 2024

(₹ in lakhs)

Sr. No.	Particulars	As at March 31, 2024	As at March 31, 2023
i	Nature of Fraud	Fraud committed by customer	Fraud committed by customer
ii	No. of Cases	1.00	-
iii	Amount of fraud	41.59	-
iv	Recovery	-	-
v	Amount written-off/Provided	41.59	-

l. The Company has exposure to real estate sector as on March 31, 2024 and March 31, 2023. Disclosure pertaining to real estate exposure is mentioned in Note 48(c).

m. Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the Company

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the Company	-	-

n. Details of financing of parent company products
The Company has no specific program for financing its parent company products. However, in its general lending business, the Company may have funded some entities which may have been customer(s) of its ultimate parent company.

o. Pursuant to RBI circular DOR.STR.REC.68/21.04.048/2021-22 dated November 12, 2021 on "Prudential Norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances - Clarification" the Company has aligned its definition of default from number of installments outstanding approach to Days Past Due approach.

p. Overseas assets
The Company does not have any joint ventures and subsidiaries aboard

q. Off-balance sheet SPVs sponsored
The Company does not have any off-balance sheet SPVs sponsored.

r. Registration obtained from other financial sector regulators NA

s. The disclosures given in the above notes pursuant to RBI Notifications are only to the extent they are applicable to the Company.

t. Relationship with struck off companies - Nil (FY 2022-23 Nil)

u. Disclosure pertaining to stock statement filed with banks or financial institutions

The company has availed of the facilities (secured borrowings) from the lenders and these loans are secured by an exclusive first charge by way of hypothecation of identified books debts and receivables.

Quaterly returns or statements of book debts and receivables filed by the company with banks, financial institutions and trustee are in agreement with the book of accounts.

52.

Disclosures pursuant to Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 issued by the Reserve Bank of India (“RBI”) vide their Notification No. RBI/DOR/2021-22/86 Master Direction DOR. STR.REC.51/21.04.048/2021-22 dated September 24, 2021 (the “Notification”)

a. Details of transfer through assignment in respect of loan not in default during the year ended March 31, 2024*

Particulars	To Bank/ NBFC
Aggregate principal outstanding of loans transferred through assignment (₹ in lakhs)	38,916.49
Aggregate consideration received (₹ in lakhs)	33,107.93
Weighted average maturity of Loans (in years)	9.18
Weighted average Holding period of Loans (in years)	1.07
Weighted Average Residual Tenor of Loans sold (in years)	8.11
Retention of Beneficial economic interest (in %)	14.93%
Coverage of Tangible security Coverage (in %) **	197.11%
Rating-wise distribution of rated loans	NA

b. Details of transfer through assignment in respect of loan not in default during the year ended March 31, 2023*

Particulars	To Bank/ NBFC
Aggregate principal outstanding of loans transferred through assignment (₹ in lakhs)	34,013.11
Aggregate consideration received (₹ in lakhs)	28,887.76
Weighted average maturity of Loans (in years)	6.68
Weighted average Holding period of Loans (in years)	0.84
Weighted Average Residual Tenor of Loans sold (in years)	5.84
Retention of Beneficial economic interest (in %)	15.07%
Coverage of Tangible security Coverage (in %) **	212.54%
Rating-wise distribution of rated loans	NA

* The above table does not include loans transferred by the Company through Co-Lending arrangement.

** For the computation of coverage of tangible Security ratio, the Company has considered only the secured loans.

53. Disclosure pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation)Directions, 2023

The following tables set forth, for the periods indicated, details of loan assets subjected to restructuring as on March 31, 2024:-

(₹ in lakhs)

Sr. No.	Type of Restructuring		Others				
	Asset Classification		Standard	Sub-Standard	Doubtful	Loss	Total
	Details						
1	Restructured Accounts as on April 01, 2023 (opening figures)	No. of borrowers	1.00	-	-	-	**1.00**
		Amount outstanding	6.40	-	-	-	**6.40**
		Provision there-on	0.60	-	-	-	**0.60**
2	Fresh Restructuring during the period	No. of borrowers	-	1.00	-	-	**1.00**
		Amount outstanding	-	25.73	-	-	**25.73**
		Provision there-on	-	16.72	-	-	**16.72**
3	Upgradations to restructured standard category during the period	No. of borrowers	-	-	-	-	**-**
		Amount outstanding	-	-	-	-	**-**
		Provision there-on	-	-	-	-	**-**
4	Restructured standard advances which cease to attract higher provisioning and/or additional risk weight at the end of the period and hence need not be shown as restructured standard advances at the begnning of the next period	No. of borrowers	(1.00)	-	-	-	**(1.00)**
		Amount outstanding	(6.40)	-	-	-	**(6.40)**
		Provision there-on	(0.60)	-	-	-	**(0.60)**
5	Downgradations of restructured accounts during the period	No. of borrowers	-	-	-	-	**-**
		Amount outstanding	-	-	-	-	**-**
		Provision there-on	-	-	-	-	**-**
6	Write-offs of restructured accounts during the period **	No. of borrowers	-	-	-	-	**-**
		Amount outstanding	-	-	-	-	**-**
		Provision there-on	-	-	-	-	**-**
7	Restructured Accounts as on March 31, 2024 (closing figures)*	No. of borrowers	-	1.00	-	-	**1.00**
		Amount outstanding	-	25.73	-	-	**25.73**
		Provision there-on	-	16.72	-	-	**16.72**

The following tables set forth, for the periods indicated, details of loan assets subjected to restructuring as on March 31, 2023:-

(₹ in lakhs)

Sr. No.	Type of Restructuring		Others				
	Asset Classification		Standard	Sub-Standard	Doubtful	Loss	Total
	Details						
1	Restructured Accounts as on April 01, 2022 (opening figures)	No. of borrowers	-	2.00	-	-	**2.00**
		Amount outstanding	-	46.87	-	-	**46.87**
		Provision there-on	-	30.47	-	-	**30.47**
2	Fresh Restructuring/repayments during the year	No. of borrowers*	-	(1.00)	-	-	**(1.00)**
		Amount outstanding	-	(30.47)	-	-	**(30.47)**
		Provision there-on	-	(23.37)	-	-	**(23.37)**
3	Upgradations to restructured standard category during the period	No. of borrowers	1.00	(1.00)	-	-	**-**
		Amount outstanding	6.40	(6.40)	-	-	**-**
		Provision there-on	0.60	(0.60)	-	-	**-**
4	Restructured standard advances which cease to attract higher provisioning and/or additional risk weight at the end of the period and hence need not be shown as restructured standard advances at the begnning of the next period	No. of borrowers	-	-	-	-	**-**
		Amount outstanding	-	-	-	-	**-**
		Provision there-on	-	-	-	-	**-**
5	Downgradations of restructured accounts during the period	No. of borrowers	-	-	-	-	**-**
		Amount outstanding	-	-	-	-	**-**
		Provision there-on	-	-	-	-	**-**
6	Write-offs of restructured accounts during the period **	No. of borrowers*	-	-	-	-	**-**
		Amount outstanding	-	(10.00)	-	-	**(10.00)**
		Provision there-on	-	(6.50)	-	-	**(6.50)**
7	Restructured Accounts as onMarch 31, 2023 (closing figures)*	No. of borrowers	1.00	-	-	-	**1.00**
		Amount outstanding	6.40	-	-	-	**6.40**
		Provision there-on	0.60	-	-	-	**0.60**

* The outstanding amount and number of borrrowers as at March 31, 2024 and March 31, 2023 are after considering recoveries during the year.

** Partial repayments in existing restructured accounts are disclosed under "Write-offs of restructured accounts".
For the purpose of arithmetical accuracy as required by Master Direction – Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation)Directions, 2023 movement in provisions in the existing restructured account as compared to opening balance is disclosed under write-off/sale/recovery/ (for any change in provision) during the year.

Since the disclosure of restructured advance account pertains to section "Others", the first two sections, namely, "Under CDR Mechanism" and "Under SME Debt Restructuring Mechansim" as per format prescribed in the guidelines are not included above.

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Notes to the Standalone Financial Statements

54. Disclosure pursuant to RBI Notification No. RBI/DOR/2021-22/85 DOR.STR.REC.53/21.04.177/2021-22 dated September 24,2021

(₹ in lakhs)

Sr. No.	Particulars	As at March 31, 2024	As at March 31, 2023
1	No of SPEs holding assets for securitisation transactions originated by the originator (only the SPVs relating to outstanding securitization exposures to be reported here)	15.00	6.00
2	Total amount of securitised assets as per books of the SPEs	38,880.03	9,256.18
3	Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet	8,198.48	1,989.49
	a) Off-balance sheet exposures	-	-
	• First loss	-	-
	• Others	-	-
	b) On-balance sheet exposures	-	-
	• First loss	4,345.83	1,666.15
	• Others	3,852.65	323.34
4	Amount of exposures to securitisation transactions other than MRR	811.52	283.89
	a) Off-balance sheet exposures		
	i) Exposure to own securitisations	-	-
	• First loss	-	-
	• Others	-	-
	ii) Exposure to third party securitisations	-	-
	• First loss	-	-
	• Others	-	-
	b) On-balance sheet exposures	-	-
	i) Exposure to own securitisations	-	-
	• First loss	-	-
	• Others	811.52	283.89
	ii) Exposure to third party securitisations	-	-
	• First loss	-	-
	• Others	-	-
5	Sale consideration received for the securitised assets and gain/loss on sale on account of securitisation	57,083.70	12,060.57
6	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.	Post Securitization Asset Servicing: Rs. 38,880.03 Service Fees - Rs. 1 Lakh Liquidity Support (First Loss FD)= Rs. 4,345.83 Lakh	Post Securitization Asset Servicing: Rs. 9,256.18 Service Fees - Rs. 1 Lakh Liquidity Support (First Loss FD)= Rs. 1,666.15 Lakh
7	Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided.		
	(a) Opening outstanding	1,666.15	362.47
	(b) Cumulative amount paid during the year	3,606.52	1,303.68
	(c) Cumulative repayment received during the year	926.84	0.00
	(d) Outstanding amount	4,345.83	1,666.15
8	Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	1.03%	Not Applicable
9	Amount and number of additional/top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	Nil	Nil
10	Investor complaints (a) Directly/Indirectly received and; (b) Complaints outstanding	There is no Investor Complaints received Dircetly / In-Dircetly. Also, Complaints Outstanding is NIL.	There is no Investor Complaints received Dircetly / In-Dircetly. Also, Complaints Outstanding is NIL.

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Notes to the Standalone Financial Statements

55. Disclosure pursuant to RBI Notification No. DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020

As at March 31, 2024 (₹ in lakhs)

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	3,19,964.57	1,870.76	3,18,093.81	1,279.86	590.90
	Stage 2	3,516.39	887.20	2,629.19	14.07	873.13
	Stage 3	-	-	-		-
Subtotal		**3,23,480.96**	**2,757.96**	**3,20,723.00**	**1,293.92**	**1,464.03**
Non-Performing Assets (NPA)						
Substandard	Stage 1	-	-	-	-	-
	Stage 3	5,408.23	2,478.03	2,930.21	1,352.06	1,125.97
Doubtful - up to 1 year	Stage 3	-	-	-		-
Doubtful - 1 to 3 years	Stage 3	-	-	-	-	-
Doubtful - More than 3 years	Stage 3	-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		**5,408.23**	**2,478.03**	**2,930.21**	**1,352.06**	**1,125.97**
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	10,483.52	30.67	10,452.85	-	30.67
	Stage 2		-	-	-	-
	Stage 3	14.69	-	14.69	-	-
Subtotal						
Total	**Stage 1**	**3,30,448.09**	**1,901.42**	**3,28,546.66**	**1,279.86**	**621.57**
	Stage 2	**3,516.39**	**887.20**	**2,629.19**	**14.07**	**873.13**
	Stage 3	**5,422.93**	**2,478.03**	**2,944.90**	**1,352.06**	**1,125.97**
		3,39,387.40	**5,266.65**	**3,34,120.75**	**2,645.98**	**2,620.67**

As at March 31, 2023 (₹ in lakhs)

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	2,37,160.19	2,091.60	2,35,068.59	948.64	1,142.96
	Stage 2	1,901.08	435.85	1,465.23	7.60	428.25
	Stage 3	-	-	-		-
Subtotal		**2,39,061.27**	**2,527.45**	**2,36,533.82**	**956.25**	**1,571.21**
Non-Performing Assets (NPA)						
Substandard	Stage 1	-	-	-	-	-
	Stage 3	1,588.94	805.36	783.58	397.24	408.13
Doubtful - up to 1 year	Stage 3	-	-	-		-
Doubtful - 1 to 3 years	Stage 3	-	-	-	-	-
Doubtful - More than 3 years	Stage 3	-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		**1,588.94**	**805.36**	**783.58**	**397.24**	**408.13**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current	Stage 1	6,290.28	24.13	6,266.15	-	24.13
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal						
Total	**Stage 1**	**2,43,450.47**	**2,115.74**	**2,41,334.74**	**948.64**	**1,167.10**
	Stage 2	**1,901.08**	**435.85**	**1,465.23**	**7.60**	**428.25**
	Stage 3	**1,588.94**	**805.36**	**783.58**	**397.24**	**408.13**
Total		**2,46,940.49**	**3,356.95**	**2,43,583.54**	**1,353.48**	**2,003.47**

Since the total impairment allowances under Ind AS 109 is higher than the total provisioning required under IRACP (including standard asset provisioning) as at March 31, 2024, no amount is required to be transferred to 'Impairment Reserve'. The gross carrying amount of asset as per Ind AS 109 and Loss allowances (Provisions) thereon includes interest accrual on net carrying value of stage-3 assets as permitted under Ind AS 109. While, the provisions required as per IRACP norms does not include any such interest as interest accrual on NPAs is not permitted under IRACP norms. The balance in the 'Impairment Reserve' (as and when created) shall not be reckoned for regulatory capital. Further, no withdrawals shall be permitted from this reserve without prior permission from the Department of Supervision, RBI.

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Notes to the Standalone Financial Statements

56. Disclosure pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation)Directions, 2023

Particulars
Liabilities side :

(₹ in lakhs)

	Loans and advances availed by the non- banking financial company inclusive of interest accrued thereon but not paid:	As at March 31, 2024	As at March 31, 2023
(1)			
	(a) Debentures :		
	- Secured	10,592.30	5,024.26
	- Unsecured	-	-
	(b) Deferred Credits	-	-
	(c) Term Loans	1,78,491.51	1,03,726.06
	(d) Inter-corporate loans and borrowing	-	-
	(e) Commercial Paper	-	-
	(f) Other Loans		
	i. Pass Through certificates – Securitization	40,263.02	9,101.09
	ii. External commercial borrowings	27,665.66	-
	iii. Cash credit from bank	11,150.33	397.96

Assets side :

(₹ in lakhs)

	Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :	As at March 31, 2024	As at March 31, 2023
(2)			
	(a) Secured	2,10,811.64	1,55,962.24
	(b) Unsecured	1,12,810.90	81,331.02
	TOTAL	**3,23,622.54**	**2,37,293.26**

Loans and advances (net of provisions for Non performing asset) includes Loans,Finance Lease,Tax receivables and other advances

	Break up of Leased Assets and stock on hire and other assets counting towards operational activities	As at March 31, 2024	As at March 31, 2023
(3)			
	(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		
	(a)Loans where assets have been repossessed	-	-
	(b)Loans other than (a) above	-	-
(4)	**Break-up of Investments :**		
	Current Investments :	-	-
	1. Quoted :		
	(i) Shares : (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	203.19	-
	(iv) Government Securities	25,899.76	3,494.97
	(v) Others		
	2. Unquoted :		
	(i) Shares : (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	58.73
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others	-	-
	Long Term investments :		
	1. Quoted :		
	(i) Shares : (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others	47.62	-
	2. Unquoted :		
	(i) Shares : (a) Equity	761.00	761.00
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others (Investment in PTCs)	3,852.66	323.35

56.

Disclosure pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation)Directions, 2023 (Continued)

(5) Borrower group-wise classification of assets financed as in (2) and (3) above :Please see Note 2 below

(₹ in lakhs)

Particulars	Amount net of provisions		
	Secured	Unsecured	Total as on March 31, 2024
1. Related Parties **			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	2,10,811.64	1,12,810.90	3,23,622.54
Total	**2,10,811.64**	**1,12,810.90**	**3,23,622.54**

Includes Loans, Finance leases Net of provision for Non Performing Assets, Tax Receivables and Other Advances

Borrower group-wise classification of assets financed as in (2) and (3) above :
Please see Note 2 below

Particulars	Amount net of provisions		
	Secured	Unsecured	Total as on March 31, 2023
1. Related Parties **			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	1,55,962.24	81,331.02	2,37,293.26
Total	**1,55,962.24**	**81,331.02**	**2,37,293.26**

Includes Loans, Finance leases Net of provision for Non Performing Assets, Tax Receivables and Other Advances

(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):
Please see note 3 below

(₹ in lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	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	761.00	761.00	761.00	761.00
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	-	-
2. Other than related parties	30,003.23	30,002.64	3,877.34	3,876.98
Total	**30,764.23**	**30,763.64**	**4,638.34**	**4,637.98**
** As per Accounting Standard of ICAI (refer note no. 3)				

(7) Other information

(₹ in lakhs)

	Particulars	As at March 31, 2024	As at March 31, 2023
(i)	Gross Non-Performing Assets		
	(a) Related parties	-	-
	(b) Other than related parties	5,408.23	1,588.94
(ii)	Net Non-Performing Assets	-	-
	(a) Related parties	-	-
	(b) Other than related parties	2,930.21	783.58
(iii)	Assets acquired in satisfaction of debt	-	-

Notes:

1. As defined in paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
2. Provisioning norms shall be applicable as prescribed in Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007
3. All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in (4) above.

57. Balance grouped under loans and advances in certain cases are subject to confirmation and reconciliation. Impact of the same, if any, shall be accounted as and when determined, which are not expected to be material.
In the opinion of the management, the loans and advances are approximately of the value stated, if realized, paid in ordinary course of business. The provision for all known liabilities are adequate and are not in excess of amount considered reasonably necessary.

58. Expenditure in foreign currency (₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Expenditure in foreign currency	16.53	11.84

59. There is no amount due and payable to micro and small suppliers registered under the Micro, Small and Medium Enterprises Development Act, 2006 at the end of the year other than as disclosed. No interest has been paid/ is payable by the Company during/for the period to these 'Suppliers' other than as disclosed. The above information takes into account only those suppliers who have submitted their registration details or has responded to the inquiries made by the Company for this purpose.

60. Utilisation of Borrowed funds and share premium :
As a part of normal lending business, the Company grants loans and advances on the basis of security/ guarantee provided by the Borrower/ co-borrower and makes investments. These transactions are part of Company's normal non-banking finance business, which is conducted ensuring adherence to all regulatory requirements.
The Company has not advanced or loaned or invested funds (either borrowed funds or any other sources or kind of funds) to any other persons or entities (Intermediaries) with the understanding that the Intermediary shall-
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

The company has not received any fund from any persons or entities (Funding Party) with the understanding that the company shall
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

61. The Company has not traded or invested in Crypto currency or Virtual Currency during the year ended March 31, 2024 and March 31, 2023

62. 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.

63. Events occurring after balance sheet date - There have been no events after the reporting date that require adjustment in these financial statements.

64. Wilful Defaulter:
The Company is not a declared wilful defaulter by any bank or financial Institution or other lender, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India, during the year ended March 31, 2024 and March 31, 2023.

65. Title Deeds of Immovable Properties not held in the name of the Company
The Company does not hold any immovable property as on March 31, 2024 and March 31, 2023. All the lease agreements are duly executed in favour of the Company for properties where the Company is the lessee.

66. The Company has no pending charges or satisfaction of charges, which are required to be registered with Registrar of Companies (ROC).

67. 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.

68. The company has not entered into any scheme of arrangement.

69. There are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

70. Previous year figures have been re-grouped/re-arranged and re-classified wherever necessary, to conform to current year's classification.

As per our report of even date attached
For Khandelwal Jain & Co
Chartered Accountants
ICAI Firm Registration Number : 105049W

For and on behalf of the Board of Directors of
Protium Finance Limited

Sd/-
Pankaj Jain
Partner
Membership No. 048850

Sd/-
Peeyush Misra
Manageing Director & CEO
DIN: 08422699

Sd/-
Parveen Kumar Gupta
Independent Director
DIN: 02895343

Sd/-
Amit Gupta
Chief Financial Officer

Sd/-
Anshu Mohta
Company Secretary
Membership No.: A18287

Place: Mumbai
Date: 30 April 2024

Place: Mumbai
Date: 30 April 2024