To,
Listing Department,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400001

To,
Listing Operations
National Stock Exchange of India Limited
Exchange Plaza
Bandra Kurla Complex, Bandra (E)
Mumbai-400051

**Ref: Regulations 51(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").**

**Sub: Outcome of the meeting of the Board held on November 11, 2022**

This is with reference to Regulation 51 read with Part B of Schedule III, Regulation 52(2) and other applicable regulations ("**SEBI**") (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby intimated that the Board of Directors at its meeting held on November 11, 2022, has approved the Un-Audited Financial Results along with Limited Review Report for the quarter ended September 30, 2022 which was reviewed by the Audit Committee at its meeting held on November 10, 2022 .In this regard, attached herewith the following for your record:

1. Un-Audited Financial Results of the Company for the quarter ended September 30, 2022, along with the Limited Review Report ("**LRR**") in the format as prescribed by SEBI read with sub-regulation 4 of Regulation 52 of Listing Regulations
2. Security Cover Certificate
3. Statement of Material Deviation.

The meeting of the Board of Directors was commenced at 10:00 AM and concluded at 1.15 PM.

Thanking you.

Yours faithfully.

Yours faithfully,
For **Navi Finserv Limited**

Anuj Arora Digitally signed by Anuj Arora Date: 2022.11.11 13:21:31 +05'30'

Anuj Arora
Company Secretary
Membership No.-A28442
Date: November 11, 2022

Copy to -
**CATALYST TRUSTEESHIP LIMITED**
Windsor, 6th Floor, Office No – 604 C.S.T. Road, Kalina Santacruz (East), Mumbai – 400 098

E: corporate_finserv@navi.com
T: +91 8951904682
www.navifinserv.com
CIN: U65923KA2012PLC062537

**Navi Finserv Limited**
Formerly known as Navi Finserv Private Limited
Second Floor, AMR Tech Park, Sy. No. 23 & 24,
Hongasandra Village, Hosur Road, Bangalore,
Karnataka- 560068, India.

**Price Waterhouse LLP**
Chartered Accountants

**Independent Auditor's Review Report on quarterly Unaudited Financial Results of the Company Pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

To the Board of Directors of Navi Finserv Limited

1. We have reviewed the accompanying unaudited financial results of Navi Finserv Limited (the "Company") for the the quarter ended September 30, 2022 and the year to date results for the period April 01, 2022 to September 30, 2022, which are included in the accompanying Statement of financial results for the quarter and half year ended 30 September 2022, the Statement of Assets and Liabilities as on that date and the Statement of Cash Flow for the half-year ended on that date (the "Statement") being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations, 2015"), including relevant circulars issued by the SEBI from time to time. We have initialled the Statement for identification purposes only.

2. The Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, read with relevant Rules issued thereunder, other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of the Listing Regulations, 2015, including relevant circulars issued by SEBI from time to time. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Companies Act, 2013, read with relevant Rules issued thereunder, other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Listing Regulations, 2015, including relevant circulars issued by SEBI from time to time, or that it contains any material misstatement, or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India (RBI) in respect of Income recognition, asset classification, provisioning and other related matters, to the extent those are not inconsistent with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013.

Price Waterhouse LLP
LLPIN AAS -3673
Chartered Accountants
FRN 301112E/E300264
Bengaluru

Price Waterhouse LLP, 5th Floor, Tower 'D', The Millenia, 1 & 2 Murphy Road, Ulsoor, Bengaluru
T: +91 (80) 4079 5000, F: +91 (80) 4079 5222

Registered office and Head office: Plot No. 56 & 57, Block DN, Sector-V, Salt Lake, Kolkata - 700 091

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAS - 3673 ) with effect from April 22, 2020. Post its conversion to Price Waterhouse LLP, its ICAI registration number is (FRN 301112E/E300264) (ICAI registration number before conversion was 301112E)

5. (a) The financial results of the Company for the quarter ended September 30, 2021, and the year to date results for the period April 01, 2021 to September 30, 2021 were reviewed by another firm of chartered accountants who issued their unmodified conclusion, vide their report dated November 12, 2021 respectively.

   (b) The financial statements of the Company for the year ended March 31, 2022, was audited by another firm of Chartered Accountants, who issued an unmodified opinion vide their report dated May 21, 2022.

**For Price Waterhouse LLP**
Chartered Accountants
Firm Registration Number - 301112E /E300264

ABDUL MAJEED SHAIKH

Digitally signed by ABDUL MAJEED SHAIKH
Date: 2022.11.11 12:43:36 +05'30'

**Abdul Majeed Shaikh**
Partner
Membership Number: 203637
UDIN: 22203637BCUEHV3633
Place: Bengaluru
Date: November 11, 2022

**Navi Finserv Limited**
(formerly known as Navi Finserv Private Limited)
**CIN No. U65923KA2012PLC062537**
Second Floor, AMR Tech Park, Sy. No. 23 & 24, Hongasandra Village, Hosur Road, Bangalore, Karnataka- 560068, India

**Statement of Assets and Liabilities as at 30 September 2022**
*(All amounts in ₹ millions unless otherwise stated)*

| Particulars | As at 30.09.2022 | As at 31.03.2022 |
|---|---|---|
| **I ASSETS** | | |
| **1 Financial assets** | | |
| Cash and cash equivalents | 1,690.25 | 3,744.88 |
| Bank balances other than cash and cash equivalents | 2,618.68 | 1,123.48 |
| Derivative financial instruments | - | 1.47 |
| Loans | 56,504.59 | 27,914.41 |
| Investments | 7,204.37 | 6,622.30 |
| Other financial assets | 4,315.48 | 1,165.88 |
| **2 Non-financial assets** | | |
| Current tax assets (net) | 162.40 | 161.54 |
| Deferred tax asset (net) | 518.51 | 470.24 |
| Property, plant and equipment | 78.49 | 4.99 |
| Other intangible assets | 0.01 | 0.03 |
| Right to use asset | 99.01 | 122.46 |
| Other non-financial assets | 257.86 | 71.62 |
| **Total assets** | **73,449.65** | **41,403.30** |
| **II LIABILITIES AND EQUITY** | | |
| **LIABILITIES** | | |
| **1 Financial liabilities** | | |
| Derivative financial instruments | 33.02 | - |
| Payables | | |
| Trade payables | | |
| (i) total outstanding dues of micro enterprises and small enterprises | - | 0.70 |
| (ii) total outstanding dues of creditors other than micro enterprises and small | 590.14 | 862.17 |
| Other payables | | |
| (i) total outstanding dues of micro enterprises and small enterprises | - | |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | 93.47 | - |
| Debt securities | 26,662.57 | 20,111.27 |
| Borrowings (other than debt securities) | 23,894.83 | 8,016.01 |
| Subordinated liabilities | 99.52 | 99.47 |
| Lease liability | 107.54 | 133.24 |
| Other financial liabilities | 1,867.86 | 194.28 |
| **2 Non financial liabilities** | | |
| Current tax liabilities (net) | 98.65 | - |
| Provisions | 79.71 | 46.53 |
| Other non financial liabilities | 26.53 | 87.01 |
| **Total liabilities** | **53,553.83** | **29,550.68** |
| **3 Equity** | | |
| Equity share capital | 2,785.74 | 1,785.73 |
| Other equity | 17,110.08 | 10,066.89 |
| **Total equity** | **19,895.82** | **11,852.62** |
| **Total liabilities and equity** | **73,449.65** | **41,403.30** |

Navi Finserv Limited

**Navi Finserv Limited**
(formerly known as Navi Finserv Private Limited)
**CIN No. U65923KA2012PLC062537**
Second Floor, AMR Tech Park, Sy. No. 23 & 24, Hongasandra Village, Hosur Road, Bangalore, Karnataka- 560068, India

**Statement of financial results for the quarter and half year ended 30 September 2022**
*(All amounts in ₹ millions unless otherwise stated)*

| | Particulars | Quarter Ended | | | Half Year ended | | Year ended |
|---|---|---|---|---|---|---|---|
| | | 30.09.2022 | 30.06.2022 | 30.09.2021 | 30.09.2022 | 30.09.2021 | 31.03.2022 |
| | | Unaudited (Refer note 10) | Unaudited | Unaudited (Refer note 10) | Unaudited | Unaudited | Audited |
| | **Revenue from operations** | | | | | | |
| | (i) Interest income | 2,685.00 | 1,799.40 | 523.37 | 4,484.40 | 939.17 | 3,141.85 |
| | (ii) Fees and commission income | 54.41 | 43.07 | 14.50 | 97.48 | 30.27 | 74.57 |
| | (iii) Net gain on fair value changes | 95.38 | - | 432.04 | 95.38 | 948.33 | 1,354.77 |
| | (iv) Net gain on derecognition of financial instruments under amortised cost category | 50.42 | - | - | 50.42 | - | |
| (I) | **Total revenue from operations** | **2,885.21** | **1,842.47** | **969.91** | **4,727.68** | **1,917.77** | **4,571.19** |
| (II) | Other income | 10.86 | 355.20 | 0.26 | 366.06 | 23.32 | 27.74 |
| (III) | **Total income (I+II)** | **2,896.07** | **2,197.67** | **970.17** | **5,093.74** | **1,941.09** | **4,598.93** |
| | **Expenses** | | | | | | |
| | (i) Finance costs | 956.10 | 646.49 | 121.80 | 1,602.59 | 231.99 | 808.64 |
| | (ii) Fees and commission expenses | 39.47 | 13.37 | 8.00 | 52.84 | 10.00 | 23.66 |
| | (iii) Net (gain) / loss on fair value changes | (10.02) | 10.02 | - | - | - | - |
| | (iv) Net loss on derecognition of financial instruments under amortised cost category | - | - | 1.64 | - | 1.64 | 1.64 |
| | (v) Impairment on financial instruments | 614.32 | 683.16 | 186.26 | 1,297.48 | 390.20 | 1,400.40 |
| | (vi) Employee benefits expenses | 207.01 | 189.49 | 95.76 | 396.50 | 172.27 | 496.79 |
| | (vii) Depreciation and amortisation expense | 17.24 | 19.19 | 4.12 | 36.43 | 8.00 | 22.15 |
| | (viii) Other expenses | 640.37 | 447.40 | 711.39 | 1,087.77 | 951.12 | 2,732.00 |
| (IV) | **Total expenses** | **2,464.49** | **2,009.12** | **1,128.97** | **4,473.60** | **1,765.22** | **5,485.28** |
| (V) | **(Loss)/Profit before tax (III - IV)** | **431.58** | **188.55** | **(158.80)** | **620.14** | **175.87** | **(886.35)** |
| (VI) | **Tax expense** | | | | | | |
| | (1) Current tax | 117.28 | - | (60.38) | 117.28 | 50.89 | - |
| | (2) Deferred tax credit | (6.73) | (40.55) | 22.04 | (47.28) | (3.87) | (217.27) |
| | **Total tax expense** | **110.55** | **(40.55)** | **(38.34)** | **70.00** | **47.02** | **(217.27)** |
| (VII) | **(Loss)/Profit for the period/year (V - VI)** | **321.03** | **229.10** | **(120.46)** | **550.14** | **128.85** | **(669.08)** |
| | (i) Items that will not be reclassified to profit and loss | | | | | | |
| | Remeasurement of the net defined benefit plans | (0.50) | (3.47) | (3.01) | (3.97) | (6.01) | (5.75) |
| | (iii) Income tax relating to the above | 0.13 | 0.87 | 0.76 | 1.00 | 1.51 | 1.45 |
| (VIII) | **Other comprehensive (loss)/ income** | **(0.37)** | **(2.60)** | **(2.25)** | **(2.97)** | **(4.50)** | **(4.30)** |
| (IX) | **Total comprehensive (loss)/ income for the period/year (VII + VIII)** | **320.66** | **226.50** | **(122.71)** | **547.17** | **124.35** | **(673.38)** |
| (X) | **Earnings per equity share** | | | | | | |
| | Basic (₹) | 1.23 | 1.14 | (0.75) | 2.37 | 0.75 | (3.94) |
| | Diluted (₹) | 1.23 | 1.14 | (0.75) | 2.37 | 0.75 | (3.94) |

Navi Finserv Limited

**Notes:**

1 The unaudited financial results of Navi Finserv Limited (formerly as Navi Finserv Private Limited) ('the Company') have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 10 November 2022 and 11 November 2022 respectively.

2 The unaudited financial results of the Company have been prepared in accordance with recognition and measurement principles laid down in Ind AS 34 - 'Interim Financial Reporting' notified under Section 133 of the Companies Act 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

3 These unaudited financial results have been subjected to limited review by the statutory auditors of the Company as required under Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

4 During the quarter ended 30 September 2022, the Company has allotted 400,00,000 equity shares of face value ₹ 10 at a premium of ₹ 65 per share, aggregating to ₹ 3000 millions, to Navi Technologies Limited ("the holding Company) on right issue basis as per Section 62(1) of the Act.

5 As at 30 September 2022, the Company has carried impairment provision towards its loan assets to the extent of ₹ 2,616.10 million which includes macro and management overlay of ₹ 610.56 millions.

6 Disclosure pursuant to RBI Notification RBI/DOR/2021-22/86 DDR.STR.REC.51/21.04.048/2021-22 dated 24 September 2021

a) Details of loans (not in default) transferred through assignment during the half year ended 30 September 2022

| Mode of Transfer | Direct Assignment |
|---|---|
| Aggregate amount of loans transferred (in millions) | 1,848.76 |
| Weighted average residual maturity (in years) | 3.42 |
| Weighted average holding period (in years) | 0.57 |
| Retention of beneficial economic interest | 10% |
| Tangible security coverage | 12% |

b) The Company has not acquired any loans not in default through assignment during the half year ended 30 September 2022.

c) The Company has not acquired / Transferred any stressed loan during the half year ended 30 September 2022.

7 There are no restructured assets outstanding pursuant to RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated August 06, 2020 and hence disclosure in Annexure B of this notification is not applicable

8 The Company's operating segments are established in the manner consistent with the components of the Company that are evaluated regularly by the Chief Operating Decision Maker as defined in Ind AS 108 - 'Operating Segments'. The Company is engaged primarily in the business of financing and as such no separate reportable segment is required to be furnished as per Ind AS 108 – "Operating Segment".

9 The listed Non - Convertible Debentures of the Company aggregating to ₹ 18,035.07 millions as on September 30, 2022 are secured by way of an exclusive charge on identified standard receivables of the Company. The security cover ratio exceeds stipulated limits as stated in debenture trust deeds.

10 In respect of unaudited financial results, the figures for the quarter ended September 30,2022 and September 30,2021 are the balancing figure for the six months ended September 30,2022 and September 30,2021 and year to date figures for Quarter ended June 30,2022 and June 30,2021 respectively.

11 Disclosures under Regulation 52(4) of the Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended for the half year ended September 30, 2022 is provided in Annexure I

12 Figures of the previous periods have been regrouped, wherever necessary, to make them comparable with the current period.

*We have signed this Statement for identification purpose only. This Statement should be read in conjuction with our Review Report dated November 11, 2022*

**For Price Waterhouse LLP**
**Firm Registration Number: 301112E/ E300264**

ABDUL MAJEED SHAIKH Digitally signed by ABDUL MAJEED SHAIKH Date: 2022.11.11 12:46:01 +05'30'

**Abdul Majeed Shaikh**
**Partner**
**Membership No. : 203637**

Bengaluru
November 11, 2022

For and on behalf of the Board of Directors
**Navi Finserv Limited**
(formerly known as Navi Finserv Private Limited)

ANKIT AGARWAL Digitally signed by ANKIT AGARWAL Date: 2022.11.11 23:53:37 +05'30'

**Ankit Agarwal**
Managing Director
**(DIN: 08299808)**

Navi Finserv Limited

Bengaluru
November 11, 2022

**Navi Finserv Limited**

*(formerly known as Navi Finserv Private Limited)*

**CIN No. U65923KA2012PLC062537**

Second Floor, AMR Tech Park, Sy. No. 23 & 24, Hongasandra Village, Hosur Road, Bangalore, Karnataka- 560068, India

**Statement of Cashflow**

*(All amounts in ₹ millions unless otherwise stated)*

| Particulars | Half Year ended | |
|---|---|---|
| | 30.09.2022 | 30.09.2021 |
| | Unaudited | Unaudited |
| **A. Cash flow from Operating activities** | | |
| Profit / (Loss) before tax | 620.14 | 175.87 |
| Depreciation and amortisation expense | 20.43 | 0.90 |
| Amortisation on right of use asset | 16.00 | 7.10 |
| Interest expense on lease liability | 5.57 | 2.48 |
| Impairment allowance on loans | 1,037.86 | (40.38) |
| Impairment allowance on investments | (26.04) | (31.42) |
| Loans written off | 285.66 | 466.36 |
| Loss on sale of portfolio | - | 1.64 |
| Income on lease modification | (4.44) | - |
| Net Gain on derecognition of financial instruments under amortised cost category | (50.42) | - |
| Profit on sale of Trade mark | (349.51) | - |
| Net (gain) / loss on fair value changes on Derivative financial instruments | 30.42 | - |
| Net (gain) / loss on fair value changes on investment | (125.79) | (104.37) |
| Finance Costs | 1,602.59 | 231.99 |
| Employees Stock Option expenses | 49.23 | 12.76 |
| **Operating profit before working capital changes** | **3,111.70** | **722.93** |
| **Movements in Working capital:** | | |
| (Increase) in loans | (29,863.26) | (2,510.77) |
| (Increase) in other financial assets | (3,149.60) | 40.90 |
| (Increase) in other non-financial assets | (186.24) | (119.47) |
| (Decrease) in payables | (179.26) | (68.03) |
| Increase in other financial liabilities | 1,673.58 | (316.05) |
| Increase in non-financial liabilities | (60.48) | 1.07 |
| Increase in provisions | (16.05) | 409.16 |
| **Cash (used in)/generated from operations** | **(28,669.61)** | **(1,840.25)** |
| Direct taxes paid | 19.49 | 46.05 |
| **Net cash flows (used in)/generated from operating activities (A)** | **(28,689.10)** | **(1,886.30)** |
| **B. Cash flow from Investing activities** | | |
| (Increase) in bank deposits with original maturity greater than 3 months | (1,495.20) | (182.55) |
| (Increase) / Decrease in investments | (426.16) | 3,098.97 |
| Purchase of property, plant and equipment and intangible assets | (93.90) | (1.33) |
| Proceeds from sale of intangible assets | 349.51 | - |
| **Net cash flows (used in) investing activities (B)** | **(1,665.75)** | **2,915.09** |
| **C. Cash flow from Financing activities** | | |
| Proceeds from issue of equity shares | 7,496.10 | - |
| Proceeds from issue of debt securities | 16,929.49 | 1,470.18 |
| Repayment of debt securities | (10,381.85) | - |
| Proceeds from borrowings (other than debt securities) availed* | 52,191.63 | 51,748.50 |
| Repayment of borrowings (other than debt securities)* | (36,448.41) | (53,914.16) |
| Interest payments | (1,463.27) | (97.13) |
| Lease payments | (23.47) | (5.91) |
| **Net cash flows generated from/(used in) financing activities (C )** | **28,300.22** | **(798.53)** |
| Net increase in cash and cash equivalents (A+B+C) | (2,054.63) | 230.27 |
| Cash and cash equivalents at the beginning of the period | 3,744.88 | 1,030.00 |
| **Cash and cash equivalents at the end of the period** | **1,690.25** | **1,260.27** |

**Components of cash and cash equivalents**

| | | |
|---|---|---|
| i) Cash on hand | - | - |
| ii) Balances with banks (of the nature of cash and cash equivalents) | 1,690.25 | 1,260.27 |
| **Total** | **1,690.25** | **1,260.27** |

*Includes CCIL repo borrowings and repayment of ₹ 28,414.32 millions and ₹ 28,414.32 millions (30 September 2021:₹ 50,228.67 and ₹ 53,290.11) respectively.

Navi Finserv Limited

**Navi Finserv Limited**

*(formerly known as Navi Finserv Private Limited)*

**CIN No. U65923KA2012PLC062537**

Second Floor, AMR Tech Park, Sy. No. 23 & 24, Hongasandra Village, Hosur Road, Bangalore, Karnataka- 560068, India

**Annexure I**

**Disclosures under Regulation 52(4) of the Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended for the half year ended September 30, 2022**

| Sl No. | Particulars | Ratio |
|---|---|---|
| 1 | Debt-Equity ratio (Note 1) | 2.55 |
| 2 | Debt Service Coverage Ratio & Interest Service Coverage Ratio | Not Applicable |
| 3 | Outstanding reedemable preference share | Not Applicable |
| 4 | Capital Redemption Reserve (₹ in millions) | 44.05 |
| 5 | Debenture Redemption reserve | Not Applicable |
| 6 | Net Worth (Note 2) (₹ in millions) | 19,895.81 |
| 7 | Net profit after tax (₹ in millions) | 550.14 |
| 8 | Earning per share (₹ per share) | 2.37 |
| 9 | Current ratio | Not applicable |
| 10 | Long term debt to working Capital | Not applicable |
| 11 | Bad debt to account receivable ratio | Not applicable |
| 12 | Current Liability Ratio | Not applicable |
| 13 | Total Debts to Assets Ratio (Note 3) | 0.69 |
| 14 | Debtors Turnover | Not applicable |
| 15 | Inventory Turnover | Not applicable |
| 16 | Operating Margin % | Not applicable |
| 17 | Net profit Margin % (Note 4) | 10.80% |
| 18 | **Sector Specific Ratios** | |
| | CRAR % (Tier I+TierII) | 26.69% |
| | Gross NPA Ratio% | 0.66% |
| | Net NPA Ratio% | 0.01% |

Notes:-

1. Debt Equity Ratio= Total debt (Debt securities + Borrowings (other than debt securities)+Subordinate debt+Interest accrued on borrowings) / Net worth

2. Networth= Equity share capital + Other Equity

3. Total debt to Asset ratio= Total debt (Debt securities + Borrowings (other than debt securities)+Subordinate debt+Interest accrued on borrowings) / Total Asset

4. Net profit Margin= Net profit for the period/Total Income

Navi Finserv Limited

# Price Waterhouse LLP

Chartered Accountants

The Board of Directors
Navi Finserv Limited
Second Floor, AMR Tech Park, Sy. No. 23 & 24,
Hongasandra Village, Hosur Road,
Bangalore, Karnataka – 560068.

**Auditor's Report on book values of assets included in the statement of security cover as per Information Memorandum, Term Sheet and Debenture Trust Deed as on September 30, 2022**

1. This report is issued in accordance with the terms of our engagement letter dated November 10, 2022.

2. The accompanying Security Cover Statement as at September 30, 2022 as mentioned in paragraphs of Information Memorandum, Term Sheet and Debenture Trust Deed ( the "Agreement") of listed debt securities (the "Statement") has been prepared by the management of Navi Finserv Limited (the "Company") as at September 30, 2022 pursuant to Regulation 56(1) (d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (as amended) read with Circular SEBI/HO/MIRSD/MIRSD_CRADT/ CIR/P/2022/6 dated May 19, 2022 (together referred to as the "Listing Regulations, 2015"), which has been signed by us for identification purposes.

**Management's Responsibility for the Statement**

3. The preparation of the Statement is the responsibility of the Management of the Company including the creation and maintenance of all accounting and other records supporting its contents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation.

4. The Management is also responsible for ensuring that the Company complies with the requirements of the Listing Regulations, 2015 and the Agreement, and it provides all relevant, complete and accurate information as required therein.

**Auditors' Responsibility**

5. Pursuant to the Listing Regulations, 2015, it is our responsibility to examine the Statement and to report based on our procedures performed as described in paragraph 8 below, whether anything has come to our attention that causes us to believe that the book values of the assets specified in column(s) A to O in the Statement prepared by the Company are not in agreement with the underlying unaudited books and relevant records of the Company as at September 30, 2022, as produced to us by the Management during the course of our examination.

6. We conducted our examination of the Statement in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Price Waterhouse LLP
LLPIN AAS -3673
Chartered Accountants
FRN 301112E/E300264
Bengaluru

8. In carrying out our examination as described in paragraph 5 above, we have carried out the following procedures:

Trace the financial information contained in Columns A to Columns O of Statement with underlying unaudited books and records of the Company as at September 30, 2022 as provided by the Management.

For avoidance of doubt, we clarify that we were not required to, and will not performed any procedures on the information included in columns K of the accompanying Statement and the same is furnished by the management of the Company. Further we are not required to comment on the calculations included in the Statement.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement; and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

**Conclusion**

9. Based on our examination as described in paragraph 8 and procedures performed as described in paragraph 8 above, and according to the information and explanations given to us, we report that nothing has come to our attention that causes us to believe that the book values of the assets specified in column(s) A to O in the Statement prepared by the Company are not in agreement with the underlying unaudited books and relevant records of the Company as at September 30, 2022 as produced to us by the Management during the course of our examination.

**Restriction on Use**

10. Our work was performed solely to assist you in meeting the requirements of the Listing Regulations, 2015 to enable the Company to meet the conditions of Regulation 56(1)(d) of the Listing Regulations, 2015. Our obligations in respect of this report are entirely separate from, and our responsibility and liability is in no way changed by any other role we may have as auditors of the Company or otherwise. Nothing in this report, nor anything said or done in the course of or in connection with the services that are the subject of this report, will extend any duty of care we may have in our capacity as auditors of the Company.

11. This report has been issued solely at the request of the Board of Directors of the Company to whom it is addressed, for onward submission to the Debenture trustees defined in the Agreement and should not be used for any other purpose. We do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

For Price Waterhouse LLP
Firm Registration Number: 301112E/ E300264

ABDUL MAJEED SHAIKH

Digitally signed by ABDUL MAJEED SHAIKH
Date: 2022.11.11 12:55:29 +05'30'

Abdul Majeed Shaikh
Partner
Membership Number: 203637
UDIN: 22203637BCUEQL4586

Place : Bangalore
Date : November 11, 2022

**Navi Finserv Limited**
**Security Cover Statement as at September 30, 2022**

(Amount in Crs)

| Column A | Column B | Column C | Column D | Column E | Column F | Column G | Column H | Column I | Column J | Column K | Column L | Column M | Column N | Column O |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Particulars | | Exclusive Charge | Exclusive Charge | Pari-Passu Charge | Pari- Passu Charge | Pari-Passu Charge | Assets not offered as Security | Elimination (amount in negative) | (Total C to H) | Related to only those items covered by this certificate | | | | |
| | Description of asset for which this certificate relate | Debt for which this certificate being issued | Other Secured Debt | Debt for which this certificate being issued | Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge) | Other assets on which there is pari-Passu charge (excluding items covered in column F) | | debt amount considered more than once (due to exclusive plus pari passu charge) | | Market Value for Assets charged on Exclusive basis | Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable ) (For Eg. Bank Balance, DSRA market value is not applicable ) | Market Value for Pari passu charge Assets | Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable ) | Total Value(=K+L+M+ N) |
| | | | | | | | | | | | | Relating to Column F | | |
| | | Book Value | Book Value | Yes/ No | Book Value | Book Value | | | | | | | | |
| **ASSETS** | | | | | | | | | | | | | | |
| Property, Plant and Equipment | | | | | | | 7.85 | | 7.85 | | | | | |
| Capital Work-in- Progress | | | | | | | - | | - | | | | | |
| Right of Use Assets | | | | | | | 9.9 | | 9.9 | | | | | |
| Goodwill | | | | | | | - | | - | | | | | |
| Intangible Assets | | | | | | | 0.00 | | 0.00 | | | | | |
| Intangible Assets under Development | | | | | | | - | | - | | | | | |
| Investments | | | | | | | 720.44 | | 720.44 | | | | | |
| Loans | Personal Loan | 2104.58 | 1676.23 | | | | 1869.65 | | 5650.46 | | 2104.58 | | | 2104.58 |
| Inventories | | | | | | | - | | - | | | | | |
| Trade Receivables | | | | | | | - | | - | | | | | |
| Cash and Cash Equivalents | | | | | | | 169.03 | | 169.03 | | | | | |
| Bank Balances other than Cash and Cash Equivalents | | | | | | | 261.87 | | 261.87 | | | | | |
| Others | | | | | | | 525.43 | | 525.43 | | | | | |
| **Total** | | 2104.58 | 1676.23 | 0 | 0 | 0 | 3564.17 | 0 | 7344.98 | 0 | 2104.58 | 0 | 0 | 2104.58 |

| | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **LIABILITIES** | | | | | | | | | | | | | | |
| Debt securities to which this certificate pertains | NCD and MLD | 1821.8 | | | | | | | 1821.8 | | | | | |
| Other debt sharing pari-passu charge with above debt | | | | | | | | | | | | | | |
| Other Debt | | | | | | | | | | | | | | |
| Subordinated debt | | | | | | | 9.95 | | 9.95 | | | | | |
| Borrowings | Term Loans | | 1484.78 | | | | 904.66 | | 2389.48 | | | | | |
| Bank | | | | | | | | | | | | | | |
| Debt Securities (note 5 below) | | *not to be filled* | | | | | 844.5 | | 844.46 | | | | | |
| Others | | | | | | | | | | | | | | |
| Trade payables | | | | | | | 68.36 | | 68.36 | | | | | |
| Lease Liabilities | | | | | | | 10.75 | | 10.75 | | | | | |
| Provisions | | | | | | | 7.97 | | 7.97 | | | | | |
| Others | | | | | | | 202.61 | | 202.61 | | | | | |
| **Total** | 0 | 1821.8 | 1484.78 | 0 | 0 | 0 | 2048.8 | 0 | 5355.38 | 0 | 0 | 0 | 0 | 0 |
| **Cover on Book Value** | | | | | | | | | | | | | | |
| **Cover on Market Value** | | | | | | | | | | | | | | |
| | | **Exclusive Security Cover Ratio** | 1.16 | | **Pari-Passu Security Cover Ratio** | | | | | | | | | |
| | | | | | | | | | | | | | | |

**Notes:**

1. The book value as mentioned in above table as per financial information of the company prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, other relevant provisions of the Act and guidelines issued by the Reserve Bank of India (RBI) as applicable to NBFCs.
2. Book value in Column C represents the principal outstanding in case of loans given as security and principal and interest accrued in case of debt securities to which this certificate pertains.
3. There are no assets offered given as security as pari-passu against debt securities.
4. Asset cover is calculated only on debt for which the certificate is being issued.
5. Represents the difference between total debt securities (secured and unsecured) and Debt securities to which this certificate pertains

We have signed this Statement for identification purpose only. This Statement has to be read in conjuction with our report issued on book value of assets included in the statement of security cover as per Information Memorandum/ Term Sheet/ Debenture Trust Deed

**For Price Waterhouse LLP**
**Firm Registration Number: 301112E/ E300264**

ABDUL MAJEED SHAIKH
Digitally signed by ABDUL MAJEED SHAIKH
Date: 2022.11.11 12:56:21 +05'30'

**Abdul Majeed Shaikh**
**Partner**
Date : November 11, 2022
Place: Bengaluru

**For Navi Finserv Limited**

ANKIT AGARWAL
Digitally signed by ANKIT AGARWAL
Date: 2022.11.11 12:39:00 +05'30'

**Ankit Agarwal**
**Managing Director**
Date : November 11, 2022
Place: Bengaluru

To,
Listing Department,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400001

To,
Listing Operations
National Stock Exchange of India Limited
Exchange Plaza
Bandra Kurla Complex, Bandra (E)
Mumbai-400051

**Sub:** Statement of utilization of issue proceeds under Regulation 52(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir/Madam,

Pursuant to Regulation 52(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby confirm that the proceeds of issues from various Non-Convertible Debentures (NCD) issued by the Company were utilised for the objects as stated in the offer document and there is no material deviation in the utilization of such proceeds as on September 30, 2022.

Thanking you.

For **Navi Finserv Limited**

ANKIT AGARWAL
Digitally signed by ANKIT AGARWAL
Date: 2022.11.11 11:41:24 +05'30'

Ankit Agarwal
Managing Director
DIN: 08299808
Date : November 11, 2022

E: corporate_finserv@navi.com
T: +91 8951904682
www.navifinserv.com
CIN: U65923KA2012PLC062537

**Navi Finserv Limited**
Formerly known as Navi Finserv Private Limited
Second Floor, AMR Tech Park, Sy. No. 23 & 24,
Hongasandra Village, Hosur Road, Bangalore,
Karnataka- 560068, India.

Annex - IV-A

**A. Statement of utilization of issue proceeds:**

| Name of the Issuer | ISIN | Mode of Fund Raising (Public issues/ Private placement) | Type of instrument | Date of raising funds | Amount Raised | Funds utilized | Any deviation (Yes/ No) | If 8 is Yes, then specify the purpose of for which the funds were utilized | Remarks, if any |
|---|---|---|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| Navi Finserv Limited | INE342T07239 | Private Placement | Market Linked Debenture | July 28, 2022 | 1,00,00,00,000.00 | Yes & for on lending purpose | No | | NA |
| Navi Finserv Limited | INE342T07247 | Private Placement | Non-Convertible Debentures | Aug 25, 2022 | 30,00,00,000.00 | Yes & for on lending purpose | No | | NA |
| Navi Finserv Limited | INE342T07254 | Private Placement | Market Linked Debenture | Sep 27, 2022 | 42,87,42,000.00 | Yes & for on lending purpose | No | | NA |
| Navi Finserv Limited | INE342T07262 | Private Placement | Market Linked Debenture | Sep 28, 2022 | 1,00,00,00,000.00 | Yes & for on lending purpose | No | | NA |

**B. Statement of deviation/ variation in use of Issue proceeds: NA**

| Particulars | Remarks |
|---|---|
| Name of listed entity | |
| Mode of fund raising | Public issue/ Private placement |
| Type of instrument | Non-convertible Securities |
| Date of raising funds | |
| Amount raised | in Rs. crore |
| Report filed for quarter ended | |
| Is there a deviation/ variation in use of funds raised? | |
| Whether any approval is required to vary the objects of the issue stated in the prospectus/ offer document? | Yes/ No |
| If yes, details of the approval so required? | |
| Date of approval | |
| Explanation for the deviation/ variation | |
| Comments of the audit committee after review | |
| Comments of the auditors, if any | |

Objects for which funds have been raised and where there has been a deviation/ variation, in the following table:

| Original object | Modified object, if any | Original allocation | Modified allocation, if any | Funds utilised | Amount of deviation/ variation for the quarter according to applicable object (in Rs. crore and in %) | Remarks, if any |
|---|---|---|---|---|---|---|
| | | | | | | |

| |
|---|
| Deviation could mean:<br><br>a. Deviation in the objects or purposes for which the funds have been raised.<br>b. Deviation in the amount of funds actually utilized as against what was originally disclosed. |
| ANKIT AGARWAL Digitally signed by ANKIT AGARWAL Date: 2022.11.11 11:41:41 +05'30'<br>**Name of signatory: Ankit Agarwal**<br>**Designation: Managing Director**<br>**Date: November 11, 2022** |