



The Power of Distribution

MAS FINANCIAL SERVICES LIMITED

MFSL/SEC/EQ/2024/53

June 19, 2024

To,
The Manager,
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400001

To,
General Manager
National Stock Exchange of India Limited
Exchange Plaza
Plot No. C/1, G Block
Bandra-Kurla Complex
Bandra (East)
Mumbai – 400051
Trading Symbol: **MASFIN**

Scrip Code: **540749, 947381**

Dear Sir/Madam,

Subject: Full notes and schedules to the standalone and consolidated financial statements of the Company for the financial year ended March 31, 2024

We request you to take on record the standalone and consolidated financial statements of the Company with full notes and schedules for the financial year ended March 31, 2024.

A copy of the same is attached herewith for your record.

Thanking you,

Yours faithfully,

FOR, MAS FINANCIAL SERVICES LIMITED

RIDDHI BHAYANI
(COMPANY SECRETARY & CHIEF COMPLIANCE OFFICER)
MEMBERSHIP NO.: A41206

Encl: As above

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B/h Patang Hotel, Ashram Road, Ahmedabad-380 009.
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INDEPENDENT AUDITORS' REPORT

To the Members of MAS Financial Services Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of MAS Financial Services Limited ('the 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 cash flows and the standalone Statement of Changes in Equity for the year then ended, and notes to the Standalone financial statements, including a summary of significant accounting policies and other explanatory information ("the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit, total comprehensive income, cash flows and the changes in equity for the year then ended.

Basis for Opinion

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

Key Audit Matters

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

Sr. No.	Key Audit Matter	Auditor's Response
1	<p>Impairment of Loans: Charge: INR 25.98 Crores for the year ended 31st March, 2024 Provision: INR 129.44 Crores as at 31st March, 2024 Under Ind AS 109, Financial Instruments, allowance for loan losses is determined using expected credit loss ('ECL') estimation model. The estimation of ECL on financial instruments involves significant judgement and estimates. The key areas where we</p>	<p>Principal Audit Procedures Procedures performed by us have been enumerated herein below: We performed end to end process walkthroughs to identify the key systems, applications and controls used in ECL processes. We tested the relevant manual (including spreadsheet controls), general IT and application controls over key systems used in ECL process.</p>



Sr. No.	Key Audit Matter	Auditor's Response
	<p>identified greater levels of management judgement and therefore increased levels of audit focus in the Company's estimation of ECLs are:</p> <ul style="list-style-type: none"> • Data inputs - The application of ECL model requires several data inputs. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model. • Model estimations - Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposures at Default ("EAD"). The PD and the LGD are the key drivers of estimation complexity in the ECL and as a result are considered the most significant judgmental aspect of the Company's modelling approach. • Economic scenarios – Ind AS 109 requires the Company to measure ECLs on an unbiased forward-looking basis reflecting a range of future economic conditions. Significant management judgement is applied in determining the economic scenarios used and the probability weights applied to them especially when considering the current uncertain economic environment. • Qualitative adjustments – Adjustments to the model-driven ECL results are recorded by management to address known impairment model limitations or emerging trends as well as risks not captured by models. They represent approximately 14.52% of ECL balances as at 31 March 2024. These adjustments are inherently uncertain and significant management judgement is involved considering internal assessment of emerging forward looking economic factors and related uncertainties. The underlying forecasts and assumptions used in the estimates of impairment loss allowance are subject to uncertainties which are often outside the control of the Company. Given the size of loan portfolio relative to the balance sheet and the impact of impairment allowance on the standalone financial statements, we have considered this as a key audit matter. <p>Disclosures: The disclosures regarding the Company's application of Ind AS 109 are key to explaining the key judgements and material inputs to the Ind AS 109 ECL results.</p>	<p>Key aspects of our controls testing involved following:</p> <ul style="list-style-type: none"> • Testing the design and operating effectiveness of the key controls over the completeness and accuracy of the key inputs, data and assumptions into the Ind AS 109 impairment models. • Testing the 'Governance Framework' controls over validation, implementation and model monitoring in line with Reserve Bank of India guidance. • Testing the design and operating effectiveness of the key controls over the application of the staging criteria. • Testing key controls relating to selection and implementation of material macro-economic variables and the controls over the scenario selection and application of probability weights. • Testing management's controls over authorisation and calculation of post model adjustments and management overlays. • Testing management's controls on compliance with Ind AS 109 disclosures related to ECL. • Testing key controls operating over the information technology system in relation to loan impairment including system access and system change management, program development and computer operations. <p>Test of Details: Key aspects of our testing included:</p> <ul style="list-style-type: none"> • Sample testing over key inputs, data and assumptions impacting ECL calculations to assess completeness, accuracy and relevance of data and reasonableness of economic forecasts, weights, and model assumptions applied. • Model calculations testing through re-performance, where possible. • Test of details of post model adjustments, considering the size and complexity of management overlays, to assess the reasonableness of the adjustments by challenging key assumptions, inspecting the calculation methodology and tracing a sample of the data used back to source data. • Assessing disclosures - We assessed whether the disclosures appropriately disclose and

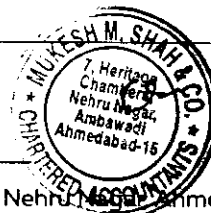
Sr. No.	Key Audit Matter	Auditor's Response
		address the uncertainty which exists when determining ECL. In addition, we assessed whether the disclosure of the key judgements and assumptions made was sufficiently clear.
2	<p>Information Technology: IT Systems and controls The Company's key financial accounting and reporting processes are highly dependent on the automated controls in information systems, such that there exists a risk that gaps in the IT control environment could result in the financial accounting and reporting records being materially misstated.</p> <p>IT general and application controls are critical to ensure that changes to applications and underlying data are made in an appropriate manner. Adequate controls contribute to mitigating the risk of potential fraud or errors as a result of changes to the applications and data.</p> <p>Due to the pervasive nature of role of information technology systems in financial reporting, in our preliminary risk assessment, we planned our audit by assessing the risk of a material misstatement arising from the technology as significant for the audit, hence the Key Audit Matter.</p>	<p>In course of audit, our focus was on user access management, change management, segregation of duties, system reconciliation controls and system application controls over key financial accounting and reporting systems. We performed a range of audit procedures, which included:</p> <ul style="list-style-type: none"> • Review of the report of IS Audit carried during the year by an independent firm of Chartered Accountants pertaining to IT systems general controls including access rights over applications, operating systems and databases relied upon for financial reporting. • Our other processes include: <ul style="list-style-type: none"> ○ selectively recomputing interest calculations and maturity dates; ○ Selectively re-evaluating masters updation, interface with resultant reports; ○ Testing of the system generated reports and accounting entries manually for core financial reporting matters (i.e. verification around the computer system) ○ Evaluating the design, implementation and operating effectiveness of the significant accounts-related IT automated controls which are relevant to the accuracy of system calculation, and the consistency of data transmission ○ Other areas that were independently assessed included password policies, system configurations, system interface controls, controls over changes to applications and databases.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Company's Annual Report, but does not include the standalone financial statements and our audit reports thereon. The other information is expected to be made available to us after the date of auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is



materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management’s Responsibility for the Standalone financial statements

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using 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.

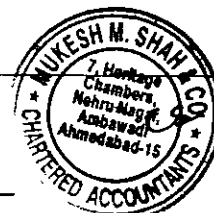
The Board of Directors is also responsible for overseeing the Company’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Standalone financial statements

Our objectives are to obtain reasonable assurance about whether the Standalone financial statements as a 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 financial statements.

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

- Identify and assess the risks of material misstatement of the Standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

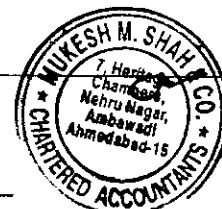
As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books. The backup of the books of account and other books and papers maintained in electronic mode, has been maintained on a daily basis on servers physically located in India during the year.
- c) The standalone Balance Sheet, the standalone Statement of Profit and Loss including Other Comprehensive Income, the standalone Cash Flow Statement and standalone Statement of Changes in Equity dealt with by this report are in agreement with the books of account.

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- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) 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.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations as at March 31, 2024 on its financial position in its Standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. The Company is not required to transfer any amount to the Investor Education and Protection Fund by the Company.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations given under (a) and (b) above, contain any material mis-statement.
- v. As stated in Note no. 21.2 of the standalone financial statements
- (a) The final dividend proposed in the previous year, declared and paid during the year by the company is in compliance with section 123 of the Companies Act, 2013.
 - (b) The interim dividend declared and paid by the company during the year and until the date of this report is in compliance with section 123 of the Companies Act, 2013.
 - (c) The Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members in the ensuing Annual General Meeting. The amount of proposed dividend is in accordance with section 123 of the Companies Act, 2013.



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vi. Based on our examination, which included test checks, the company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all the relevant transactions recorded in the software except that, audit trail feature was not enabled at database level for accounting software to log any direct data changes. Further, during the course of our audit, we did not come across any instance of the audit trail feature being tempered with in respect of such accounting software where such feature is enabled.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), is applicable from April 1, 2023, reporting under rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

Place: Ahmedabad
Date: April 24, 2024
UDIN: 24042132BJZWZF6117



For **MUKESH M. SHAH & CO.**,
Chartered Accountants
Firm Registration No.: 106625W

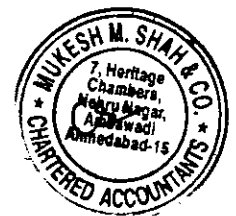
CSShad
Chandresh S. Shah
Partner
Membership No.: 042132

“Annexure A” to the Independent Auditors’ Report

The Annexure referred to in Independent Auditors’ Report to the members of the Company on the standalone financial statements for the year ended March 31, 2024.

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Standalone financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- (i) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
- B. The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a program of physical verification of its Property, Plant and Equipment and right of use assets so as to cover all the items of Property, Plant and Equipment in a phased manner. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment and right of use assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of the immovable properties taken on lease and disclosed under “Right of use asset” in the financial statements, the lease agreements are in the name of the Company, where the Company is lessee in the agreement.
- (d) According to the information and explanations given to us and the records examined by us and based on the examination, the Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.
- (e) According to the information and explanations given to us and the records examined by us and based on the examination, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder. Refer Note 46 to the standalone financial statements.
- (ii) (a) The Company is a non-banking finance company (‘NBFC’) and does not hold any inventories. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable.
- (b) During the year, the company has availed sanctioned working capital limit in excess of Rs. 5 Crores from banks on the basis of security of current assets. Based on our examination of the records of the company, the quarterly returns/ statements filed by the company with the said bank are materially in agreement with the books of accounts maintained by the company.



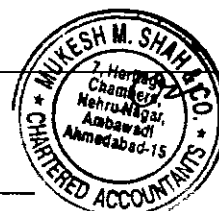
- (iii) (a) Since the Company's principal business is to give loans. Accordingly, the reporting under clause 3(iii)(a) of the Order is not applicable to it.
- (b) In our opinion and according to the information and explanations given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees, provided during the year are, prima facie, not prejudicial to the Company's interest.
- (c) The company, being a Non-Banking Financial Company ('NBFC'), registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors repayments of principal and payment of interest by its borrowers as stipulated. In our opinion and according to the information and explanations given to us, in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and in cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting. Refer note 8.1 to the Standalone Financial Statements for summarised details of such loans/advances which are not repaid by borrowers as per stipulations. According to the information and explanations given to us, reasonable steps are taken by the Company for recovery thereof.
- (d) The company, being a Non-Banking Financial Company ('NBFC'), registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors and report total amount overdue including principal and /or payment of interest by its customers for more than 90 days. In cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting. Refer note 8.1 and note 43.1 to the Standalone Financial Statements for summarised details of such loans/advances which are not repaid by borrowers as per stipulations for more than ninety days under the title "stage 3" loans.. According to the information and explanations given to us, reasonable steps are taken by the Company for recovery thereof.
- (e) Since the Company's principal business is to give loans, the reporting under clause 3(iii)(e) of the Order are not applicable to it.
- (f) Based on our audit procedures and the information and explanation made available to 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.
- (iv) According to the information and explanations given to us and on the basis of examination of the records, the Company has not granted any loans, made investments or provided guarantees in contravention of the provisions of Section 185 of the Act and has complied with the applicable provisions of Section 186 (1) of the Act.
- (v) The Company has not accepted any deposits within the meaning of the provisions of section 73 to 76 of the Act or any other relevant provisions of the Act and the rules framed thereunder. Further, according to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal, in this regard.
- (vi) The Central Government has not prescribed the maintenance of cost records under sub-section (1) section 148 of the Act for any of the services rendered by the Company. Accordingly, reporting under clause 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 the amounts deducted / accrued in the books of account, in respect of undisputed statutory dues including Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, Cess and any other material statutory dues applicable to the company.
- (b) There were no material undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-tax, Cess and any other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.
- (c) There are no statutory dues referred in above sub-clause, which have not been deposited with the appropriate authorities on account of any disputes except for the following:

Sr. No.	Name of Statute	Nature of Dues	Amount [₹ in Crores]	Period to which the amount relates	Forum where dispute is pending
1	Income tax Act, 1961	Income Tax	0.12 [*]	AY 2017-2018	Deputy Commission of Income Tax (A)

[*] after adjusting the amount of refund claimed by the company amounting Rs. 0.33 Crore.

- (viii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) According to the information and explanations given to us and on the basis of our examination of the books of account, we report that
- (a) The Company has not defaulted in repayment of loans or borrowings or interest thereon from any financial institution, banks, government or due to debenture holders during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- (c) The Company has utilised the money obtained by way of term loans from banks and other financial institutions during the year for the purposes for which they were obtained. Unutilised funds are held by the Company in the form of deposits or in current accounts till the time of subsequent utilisation.
- (d) The funds raised on short term basis have not been utilized for the long-term purpose.
- (e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiary company.
- (x) (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and hence reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the company.



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- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, there are 10 instances of fraud by customers relating to availment of loans by falsifying the records and documents. The total amount of such frauds amounts to Rs. 0.87 Crore.
- (b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year.
- (c) According to the information and explanations given by management/Audit Committee, there were no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, the company is in compliance with section 177 and 188 of the Act, where applicable, for all the transactions with the related parties and details of such transactions have been disclosed in the Standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered, during the course of our audit, the reports of the internal auditor issued till date for the period under audit in accordance with the guidance provided in SA 610 "Using the work of Internal Auditors".
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company and hence provisions of section 192 of the Act are not applicable to the company.
- (xvi) According to the information and explanations given to us and based on the examination of the records of the Company, we report that
- (a) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and the Company has obtained the required registration.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company ('CIC') as defined under the Regulations by the Reserve Bank of India.
- (d) As per information provided in course of our audit, the group to which the Company belongs does not have CIC.
- (xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities



MUKESH M. SHAH & CO.

CHARTERED ACCOUNTANTS

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) (a) According to the information and explanations given to us, there are no unspent amount towards Corporate Social Responsibility (CSR) in respect of other than ongoing projects that are required to be transferred to a fund specified in Schedule VII to the Act.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has transferred the amount remaining unspent in respect of ongoing projects, to a Special Account (as required) till the date of our report in compliance with provision of sub section (6) of section 135 of the Act. Relevant disclosures are made in Note 34 (c) of the Standalone financial statement of the Company.

Place: Ahmedabad
Date: April 24, 2024
UDIN: 24042132BJZWZF6117



For MUKESH M. SHAH & CO.,
Chartered Accountants
Firm Registration No.: 106625W

C S Shah
Chandresh S. Shah
Partner
Membership No.: 042132

“ANNEXURE B” TO THE AUDITORS’ REPORT

Report on the Internal Financial Control clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **MAS Financial Service Limited** (“the Company”) as of March 31, 2024 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

Management Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial control based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India [“ICAI”]. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (“the Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the 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 control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the material misstatement of the Standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial control over financial reporting includes those policies and procedures that:

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures



- of the company are being made only in accordance with 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 financial statements.

Inherent limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For MUKESH M. SHAH & CO.,
Chartered Accountants
Firm Reg. No.: 106625W



Place: Ahmedabad
Date: April 24, 2024
UDIN: 24042132BJZWZF6117

C S Shah
Chandresh S. Shah
Partner
Membership No.: 042132

MUKESH M. SHAH & CO. FINANCIAL SERVICES LIMITED

STANDALONE BALANCE SHEET AS AT 31 MARCH 2024

(₹ in Crores)

	Note no.	As at 31 March 2024	As at 31 March 2023
ASSETS			
Financial assets			
Cash and cash equivalents	5	178.02	237.86
Bank balance other than cash and cash equivalents	6	664.27	533.77
Trade receivables	7	6.52	4.27
Loans	8	7,264.83	5,910.16
Investments	9	787.71	826.12
Other financial assets	10	75.80	60.24
Total financial assets		8,977.15	7,572.42
Non-financial assets			
Income tax assets (net)	30	2.52	2.52
Deferred tax assets (net)	30	9.97	18.22
Property, plant and equipment	11(a)	18.63	13.95
Capital work-in-progress	11(c)	69.80	57.66
Right-of-use asset	11(d)	2.82	1.06
Intangible assets under development	11(e)	0.24	0.33
Other intangible assets	11(b)	1.01	1.03
Other non-financial assets	12	27.10	10.79
Total non-financial assets		132.09	105.56
Total assets		9,109.24	7,677.98
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Payables			
(I) Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	0.13
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		15.74	11.51
(II) Other payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1.14	1.84
Debt securities	14	626.86	627.28
Borrowings (other than debt securities)	15	6,120.36	4,957.56
Subordinated liabilities	16	302.11	252.70
Other financial liabilities	17	253.25	305.65
Total financial liabilities		7,319.46	6,156.65
Non-financial liabilities			
Current tax liabilities (net)	30.3	4.29	1.88
Provisions	18	10.09	9.48
Other non-financial liabilities	19	6.44	4.26
Total non-financial liabilities		20.82	15.60
Total liabilities		7,340.28	6,172.25
EQUITY			
Equity share capital	20	163.99	54.66
Other equity	21	1,604.97	1,451.07
Total equity		1,768.96	1,505.73
Total liabilities and equity		9,109.24	7,677.98

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

In terms of our report of even date attached

For Mukesh M Shah & Co.
Chartered Accountants
Firm's Registration No: 106625W

C S Shah
Chandresh S. Shah
Partner
Membership No: 042132



[Signature]
Darshana S. Pandya
(Director & Chief Executive Officer)
(DIN - 07610402)

[Signature]
Riddhi B. Bhayani
(Company Secretary & Compliance Officer)
(Membership No: A41206)
Ahmedabad
24 April 2024

For and on behalf of the Board of Directors of
MUKESH M. SHAH & CO. Financial Services Limited

[Signature]
Ramlesh C. Gandhi
(Chairman & Managing Director)
(DIN - 00044852)

[Signature]
Ankit Jain
(Chief Financial Officer)

Ahmedabad
24 April 2024

M/S FINANCIAL SERVICES LIMITED

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

(₹ in Crores)

	Note no.	Year ended 31 March 2024	Year ended 31 March 2023
I. Revenue from operations			
Interest income	22	1,022.28	797.33
Gain on assignment of financial assets		118.97	68.04
Fees and commission income		65.33	49.99
Net gain on fair value changes	23	12.57	21.49
Total revenue from operations		1,217.15	936.85
Other income	24	7.42	3.00
Total income		1,224.57	939.85
II. Expenses			
Finance costs	25	614.16	474.82
Fees and commission expense		48.80	48.00
Impairment on financial assets	26	89.55	53.00
Employee benefits expenses	27	87.05	62.49
Depreciation, amortization and impairment	28	3.81	2.40
Others expenses	29	49.78	34.44
Total expenses		893.15	675.15
Profit before exceptional items and tax (I - II)		331.42	264.70
Exceptional items		-	-
III. Profit before tax		331.42	264.70
IV. Tax expense:			
Current tax	30	80.89	65.10
Short / (Excess) provision for tax relating to prior years	30	(0.17)	(2.47)
Net current tax expense		80.72	62.63
Deferred tax expense / (credit)	30	2.95	1.11
Net tax expense		83.67	63.74
V. Profit for the year (III - IV)		247.75	200.96
VI. Other comprehensive income			
(A) Items that will not be reclassified to profit or loss:			
Re-measurement of the defined benefit liabilities		(0.52)	0.06
Income tax impact on above		0.13	(0.02)
Total (A)		(0.39)	0.04
(B) Items that will be reclassified to profit or loss:			
Loans and advances through other comprehensive Income		21.57	(26.05)
Income tax impact on above		(5.43)	6.56
Total (B)		16.14	(19.49)
Other comprehensive income (A+B)		15.75	(19.45)
VII. Total comprehensive income for the year (V + VI)		263.50	181.51
VIII. Earnings per equity share (of ₹ 10 each):			
Basic (₹)	31	15.11	12.25
Diluted (₹)		15.11	12.25

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

In terms of our report of even date attached

For Mukesh M Shah & Co.

Chartered Accountants

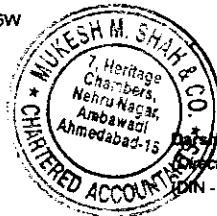
Firm's Registration No: 106625W

C S Shah

Chandresh S. Shah

Partner

Membership No: 042132



Riddhi B. Bhayani
Director & Chief Executive Officer

(DIN - 07610402)

Riddhi

Riddhi B. Bhayani
(Company Secretary & Compliance Officer)
(Membership No: A41206)

Ahmedabad
24 April 2024

Ahmedabad
24 April 2024

For and on behalf of the Board of Directors of
M/S Financial Services Limited

Kamlesh C. Gandhi
(Chairman & Managing Director)
(DIN - 00044852)

Ankit Jain
(Chief Financial Officer)

MAAS FINANCIAL SERVICES LIMITED

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2024

(₹ in Crores)

(A) Equity share capital

Equity Share of ₹ 10 each issued, subscribed and fully paid	
Balance at 1 April 2022	54.66
Changes in Equity Share Capital due to prior period errors	-
Restated balance at 1 April 2022	54.66
Changes in equity share capital during the year	-
Balance at 31 March 2023	54.66
Changes in Equity Share Capital due to prior period errors	-
Restated balance at 31 March 2023	54.66
Changes in equity share capital during the year	109.32
Balance at 31 March 2024	163.99

(B) Other equity

	Reserves and surplus			Other comprehensive income		Total
	Reserve u/s. 45-IC of the RBI Act, 1934	Securities premium	Retained earnings	Equity instruments through OCI	Loans and advances through OCI	
Restated balance at 31 March 2022	211.91	426.87	533.21	*	113.94	1,285.93
Profit for the year	-	-	200.96	-	-	200.96
Re-measurement of defined benefit plans (net of taxes)	-	-	0.04	-	-	0.04
Other comprehensive income (net of taxes)	-	-	-	-	(16.45)	(16.45)
Final dividend on equity shares	-	-	(9.57)	-	-	(9.57)
Interim dividend on equity shares	-	-	(9.84)	-	-	(9.84)
Transfer to reserve u/s. 45-IC of the RBI Act, 1934	40.19	-	(40.19)	-	-	-
Balance at 31 March 2023	252.10	426.87	674.61	*	97.49	1,451.07
Profit for the year	-	-	247.75	-	-	247.75
Re-measurement of defined benefit plans (net of taxes)	-	-	(0.39)	-	-	(0.39)
Other comprehensive income (net of taxes)	-	-	-	-	42.37	42.37
Final dividend on equity shares	-	-	(10.11)	-	-	(10.11)
Interim dividend on equity shares	-	-	(16.40)	-	-	(16.40)
Transfer to reserve u/s. 45-IC of the RBI Act, 1934	49.55	-	(49.55)	-	-	-
On issue of bonus shares	-	(109.32)	-	-	-	(109.32)
Balance at 31 March 2024	301.65	317.55	845.91	*	139.86	1,604.97

* Represents amount less than ₹ 50,000

In terms of our report of even date attached

For **Mukesh M Shah & Co.**
Chartered Accountants
Firm's Registration No: 106625W



C S Shah
Chandresh S. Shah
Partner
Membership No: 042132

Darshana S. Pandya
Darshana S. Pandya
(Director & Chief Executive Officer)
(DIN - 07610402)

Riddhi B. Bhayani
Riddhi B. Bhayani
(Company Secretary & Compliance Officer)
(Membership No: A41206)

Ahmedabad
24 April 2024

Ahmedabad
24 April 2024

For and on behalf of the Board of Directors of
MAAS Financial Services Limited

Kamlesh C. Gandhi
Kamlesh C. Gandhi
(Chairman & Managing Director)
(DIN - 00044852)

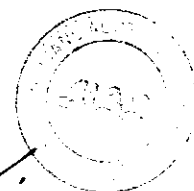
Ankit Jain
Ankit Jain
(Chief Financial Officer)

AAAS FINANCIAL SERVICES LIMITED

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2024

(₹ in Crores)

	Year ended 31 March 2024	Year ended 31 March 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	331.42	264.70
Adjustments for:		
Depreciation and amortisation	3.81	2.40
Finance cost	614.16	474.82
Impairment on financial assets	89.55	53.00
(Profit) / loss on sale of property, plant and equipment	-	(0.10)
Interest income	(1,022.28)	(797.33)
Gain on assignment of financial assets	(116.97)	(68.04)
Net gain on fair value changes	(2.48)	(2.74)
Net gain on sale of investments measured at amortized cost	(4.84)	(1.35)
Financial guarantee commission income	-	(0.01)
Unrealised gain on foreign exchange	(0.06)	-
Dividend income	(1.26)	(1.12)
Gain on derecognition of leased assets	(0.02)	-
	<u>(440.39)</u>	<u>(340.47)</u>
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(108.97)	(75.77)
Changes in working capital:		
Adjustments for (increase)/decrease in operating assets:		
Loans	(1,264.89)	(1,340.37)
Trade receivables	(2.26)	(3.26)
Advances received against loan agreements	0.48	(6.38)
Bank balance other than cash and cash equivalents	(130.52)	26.46
Other financial asset	9.76	(7.44)
Other non-financial asset	(32.31)	(14.49)
Adjustments for increase/(decrease) in operating liabilities:		
Trade payable and other payable	3.38	(2.19)
Other financial liabilities	(16.24)	(172.94)
Other non-financial liabilities	2.19	(4.71)
Provisions	0.54	2.01
	<u>(1,429.87)</u>	<u>(1,523.31)</u>
CASH GENERATED FROM / (USED IN) OPERATIONS	(1,538.84)	(1,599.08)
Interest income received	921.45	730.31
Dividend received	1.26	1.12
Interest income on investment measured at amortised cost	76.48	48.61
Finance cost paid	(664.90)	(483.37)
	<u>334.29</u>	<u>316.67</u>
Income tax paid (net)	(78.29)	(59.31)
NET CASH FLOW GENERATED FROM / (USED IN) OPERATING ACTIVITIES (A)	(1,282.84)	(1,341.72)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipments and intangible assets, including capital advances	(19.95)	(10.51)
Proceeds from sale of property, plant and equipments and intangible assets	-	0.24
Purchase of investments	(2,583.49)	(2,824.51)
Redemption of investments	2,629.33	2,542.51
NET CASH FLOW GENERATED FROM / (USED IN) INVESTING ACTIVITIES (B)	25.89	(292.27)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from debt securities and borrowings	3,637.17	3,073.48
Repayments of debt securities and borrowings	(2,223.17)	(1,236.21)
Short term loans (Net)	(189.93)	(216.37)
Repayment of lease liabilities	(0.45)	(0.22)
Dividends paid	(26.51)	(19.41)
NET CASH FLOW GENERATED FROM / (USED IN) FINANCING ACTIVITIES (C)	1,197.11	1,601.27
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(59.84)	(32.72)
Cash and cash equivalents at the beginning of the year	237.86	270.58
Cash and cash equivalents at the end of the year (refer note 1 below)	178.02	237.86



MUKESH FINANCIAL SERVICES LIMITED

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2024

(₹ in Crores)

Notes:

- 1 Cash and bank balances at the end of the year comprises:
- (a) Cash on hand
 - (b) Balances with banks
 - Total
 - (c) Bank deposits with original maturity of 3 months or less
 - Cash and cash equivalents as per the balance sheet

	As at 31 March 2024	As at 31 March 2023
	0.12	0.14
	102.84	67.64
	102.96	67.78
	75.06	170.08
	178.02	237.86

- 2 The above cash flow statement has been prepared under the "indirect method" as set out in the Ind AS - 7 on statement of cash flows specified under section 133 of the Companies Act, 2013.
- 3 The Company as at 31 March 2024 has undrawn borrowing facilities amounting to ₹ 1192.17 Crores that may be available for future operating activities and to settle capital commitments.
- 4 Change in liabilities arising from financing activities

	31 March 2023	Cash flows	Non-cash changes*	31 March 2024
Debt securities	627.26	-	(0.40)	626.86
Borrowings (other than debt securities)	4,957.58	1,174.06	(11.26)	6,120.36
Subordinated liabilities	252.70	50.00	(0.59)	302.11
Total liabilities from financing activities	5,837.52	1,224.06	(12.25)	7,049.33
	31 March 2022	Cash flows	Non-cash changes*	31 March 2023
Debt securities	362.03	266.25	(1.02)	627.26
Borrowings (other than debt securities)	3,732.73	1,234.65	(9.82)	4,957.58
Subordinated liabilities	137.22	120.00	(4.52)	252.70
Total liabilities from financing activities	4,231.98	1,620.90	(15.38)	6,837.62


* Non-cash changes represents the effect of amortization of transaction cost.

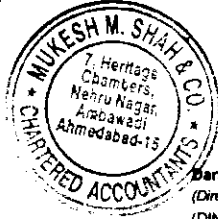
The notes referred to above form an integral part of these financial statements


In terms of our report of even date attached


For Mukesh M Shah & Co.
Chartered Accountants
Firm's Registration No: 106625W

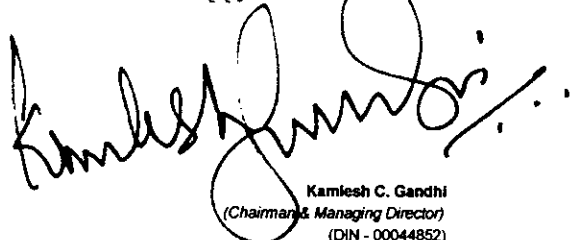
For and on behalf of the Board of Directors of
MUKESH Financial Services Limited


Chandresh S. Shah
Partner
Membership No: 042132




Darshana S. Pandya
(Director & Chief Executive Officer)
(DIN - 07610402)


Riddhi B. Bhayani
(Company Secretary & Compliance Officer)
(Membership No: A41206)


Kamlesh C. Gandhi
(Chairman & Managing Director)
(DIN - 00044852)


Ankit Jain
(Chief Financial Officer)

Ahmedabad
24 April 2024

Ahmedabad
24 April 2024

MA\$ FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

1. A) CORPORATE INFORMATION

MA\$ Financial Services Limited (the "Company") is a public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. It is registered as a systematically important non deposit taking non-banking finance Company ("NBFC") with Reserve Bank of India ("RBI"). The Company is engaged in the business of providing Micro Enterprise loans ("MEL"), Small and Medium Enterprise loans ("SME"), Two Wheeler loans ("TW"), Salaned Personal loans ("SPL"), Commercial Vehicle loans ("CV") and loans to NBFCs - to create the underlying assets of MEL, SME, TW, SPL and CV. Its shares are listed on two recognised stock exchanges in India i.e. BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE").

The Company's registered office is at 6, Ground Floor, Narayan Chambers, Behind Patang Hotel, Ashram Road, Ahmedabad-380009, Gujarat, India.

B) RECENT ACCOUNTING DEVELOPMENTS:

The following Indian Accounting Standards have been modified on miscellaneous issues with effect from April 1, 2023. Such changes include clarification/guidance on:

(i) Ind AS 101 – First time adoption of Ind AS – Deferred tax assets and deferred tax liabilities to be recognized for all temporary differences associated with right-of-use assets, lease liabilities, decommissioning / restoration / similar liabilities.

ii) Ind AS 107 – Financial Instruments: Disclosures – Information about the measurement basis for financial instruments shall be disclosed as part of material accounting policy information.

(iii) Ind AS 1 – Presentation of Financial Statements & Ind AS 34 – Interim Financial Reporting – Material accounting policy information (including focus on how an entity applied the requirements of Ind AS) shall be disclosed instead of significant accounting policies as part of financial statements.

(iv) Ind AS 8 – Accounting policies, changes in accounting estimate and errors – Clarification on what constitutes an accounting estimate provided.

(v) Ind AS 12 – Income Taxes – In case of a transaction which give rise to equal taxable and deductible temporary differences, the initial recognition exemption from deferred tax is no longer applicable and deferred tax liability & deferred tax asset shall be recognized on gross basis for such cases.

None of the above amendments had any material effect on the company's financial statements, except for disclosure of Material Accounting Policies instead of Significant Accounting Policies in the Financial Statements.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These standalone financial statements of the Company have been prepared in accordance with the Indian Accounting standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under section 133 of the Companies Act, 2013 ("the Act"), and in conformity with the accounting principles generally accepted in India and other relevant provisions of the Act. Further, the Company has complied with all the directions related to Implementation of Indian Accounting Standards prescribed for Non-Banking Financial Companies (NBFCs) in accordance with the RBI notification no. RBI/2019-20/170 DOR NBFC), CC.PD.No.109/22. 10.106/2019-20 dated 13 March 2020.

Any application guidance/ clarifications/ directions issued by RBI or other regulators are implemented as and when they are issued/ applicable.

The Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity are prepared and presented in the format prescribed in the Division III of Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows".

2.2 Basis of measurement

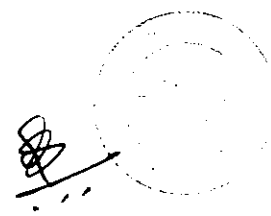
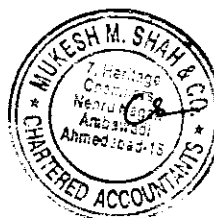
The standalone financial statements have been prepared on a historical cost convention and on an accrual basis, except for certain financial instruments which are measured at fair values as required by relevant Ind AS.

2.3 Functional and presentation currency

The standalone financial statements are presented in Indian Rupees (₹) which is the currency of the primary economic environment in which the Company operates (the "functional currency"). Amounts in the standalone financial statements are presented in crores rounded off to two decimal places as permitted by Schedule III to the Act, except when otherwise indicated.

2.4 Use of estimates, judgements and assumptions

The preparation of the standalone financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised prospectively.



IFAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

2. BASIS OF PREPARATION (Continued)

2.4 Use of estimates, judgements and assumptions (Continued)

Judgements

In the process of applying the Company's accounting policies, management has made judgements, which have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

i) Business model assessment

Classification and measurement of financial assets depends on the results of business model and the solely payments of principal and interest ("SPPI") test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

i) 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. For further details about determination of fair value refer note 3.8 and note 41.

ii) Effective interest rate ("EIR") method

The Company's EIR methodology, as explained in Note 3.1(A), 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 instruments, as well as expected changes to interest rates and other fee income/ expense that are integral parts of the instrument.

iii) Impairment of financial asset

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 expected credit loss ("ECL") calculations are outputs of complex 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:

- 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 ("LTECL") basis.
- Development of ECL models, including the various formulas and the choice of inputs.
- Determination of associations between macroeconomic scenarios and economic inputs, such as gross domestic products, lending interest rates and collateral values, and the effect on probability of default ("PD"), exposure at default ("EAD") and loss given default ("LGD").
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into ECL models.
- Management overlay is used in circumstances where management in its objective review and internal assessment of emerging forward looking economic factors and related uncertainties.



HA S FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2024

2. BASIS OF PREPARATION (Continued)

2.4 Use of estimates, judgements and assumptions (Continued)

iv) Provisions and other contingent liabilities

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings in the ordinary course of the Company's business.

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the outflow is considered to be probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

For further details on provisions and other contingencies refer note 3.17.

v) Provision for income tax and deferred tax assets

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax, including the amount expected to be paid / recovered for uncertain tax positions. A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

vi) Defined Benefit Plans

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

These estimates and judgements are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. Management believes that the estimates used in preparation of the standalone financial statements are prudent and reasonable.

2.5 Presentation of the standalone financial statements

The Company presents its balance sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in note 39.

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:

- i) The normal course of business
- ii) The event of default

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

Sr No.	Material Accounting Policies	Reference In Balance Sheet & Profit And Loss Notes
1	Recognition of interest income	22
2	Impairment of financial assets	8.1, 26, 53
3	Property, plant and equipment	11(a)
4	Financial instrument	41
5	Intangible assets	11(e), 11(b)
6	Leases	11(d), 44
7	Retirement and other employee	27, 40
8	Finance cost	25

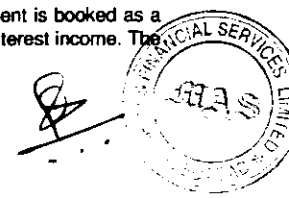
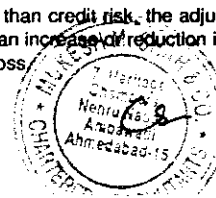
3.1 Recognition of interest income

A. EIR method

Under Ind AS 109, interest income is recorded using the effective interest rate method for all financial instruments measured at amortised cost and financial instrument measured at FVOCI. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the financial instrument.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through Interest income in the statement of profit and loss.



MAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

3.1 Recognition of Interest Income (Continued)

B. Interest Income

The Company calculates interest income by applying 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 on the net basis. If the financial asset cures and is no longer credit impaired, the Company reverts to calculating interest income on a gross basis.

3.2 Financial Instrument - initial recognition

A. Date of recognition

All financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

B. 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 (Refer note 3.3(A)). Financial instruments are initially measured at their fair value (as defined in Note 3.8), transaction costs are added to or subtracted from this amount, except in the case of financial assets and financial liabilities recorded at FVTPL.

C. Measurement categories of financial assets and liabilities

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

- i) Amortised cost
- ii) FVOCI
- iii) FVTPL

3.3 Financial assets and liabilities

A. Financial assets

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's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

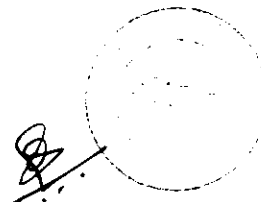
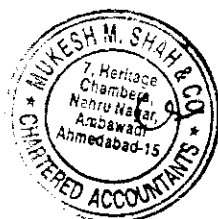
- a) How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Company's key management personnel.
- b) The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed.
- c) How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
- d) 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.

SPPI test

As a second step of its classification process, the Company assesses the contractual terms of financial asset to identify whether they meet SPPI test.

'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 financial asset (for example, if there are repayments of principal or amortisation of the premium/ discount).



FLS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

3.3 Financial assets and liabilities (Continued)

A. Financial assets (Continued)

SPPI test (Continued)

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

Accordingly, financial assets are measured as follows:

i) Financial assets carried at amortised cost

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 on the principal amount outstanding.

ii) Financial assets measured at FVOCI

A financial asset is measured at FVOCI 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.

iii) Financial assets at FVTPL

A financial asset which is not classified in any of the above categories are measured at FVTPL.

iv) Equity Investment In subsidiaries

The Company has accounted for its equity investments in subsidiaries at cost.

B. Financial liability

i) Initial recognition and measurement

All financial liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liability, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

ii) Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method.

3.4 Reclassification of financial assets

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the circumstances in which the Company changes in its business model for managing those financial assets.

3.5 Derecognition of financial assets and liabilities

A. Derecognition of financial assets due to substantial modification of terms and conditions

The Company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded.



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MA\$ FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

3.5 Derecognition of financial assets and liabilities (Continued)

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

i) Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the contractual rights to the cash flows from the financial asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in the statement of profit and loss.

Accordingly, gain on sale or derecognition of assigned portfolio are recorded upfront in the statement of profit and loss as per Ind AS 109.

As per the guidelines of RBI, the Company is required to retain certain portion of the loan assigned to parties in its books as Minimum Retention Requirement ("MRR"). Therefore, it continue to recognise the portion retained by it as MRR.

ii) Financial liability

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

3.6 Impairment of financial assets

A. Overview of ECL principles

In accordance with Ind AS 109, the Company uses ECL model, for evaluating impairment of financial assets together with loan commitments other than those measured at FVTPL.

Expected credit losses are measured through a loss allowance at an amount equal to:

- i.) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- ii.) Lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial

Both LTECLs and 12 months ECLs are calculated on collective basis for retail loans.

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

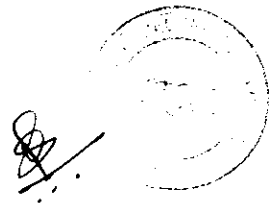
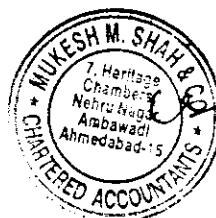
Stage 1: When loans are first recognised, the Company recognises an allowance based on 12 months ECL. Stage 1 loans includes those loans where there is no significant increase in credit risk observed and also includes facilities where the credit risk has been improved and the loan has been reclassified from stage 2.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the life time ECL.

Stage 3: Loans considered credit impaired are the loans which are past due for more than 90 days. Borrowers are also classified under stage 3 bucket under instances like fraud identification and legal proceeding. Further, stage 3 loan accounts are identified at customer level (i.e. a Stage 1 or 2 customer having other loans which are in Stage 3). The Company records an allowance for life time ECL.

There is a curing period with Stage 3 loan, where even if the DPD days are reduced by 90 days the same will not be upgraded to Stage 1 until the loan is 0 DPD.

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



MA\$ FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

3.6 Impairment of financial assets (Continued)

B. Calculation of ECLs

For retail loans

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

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

EAD Exposure at Default ("EAD") is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, expected drawdowns on committed facilities and accrued interest. Further, the EAD for stage 3 retail loan is the outstanding exposure at the time loan is classified as Stage 3 for the first time.

LGD LGD is an estimate of the loss from a transaction given that a default occurs. Under Ind AS 109, lifetime LGD's are defined as a collection of LGD's estimates applicable to different future periods.

$$\% \text{ Recovery rate} = (\text{discounted recovery amount} + \text{security amount} + \text{discounted estimated recovery}) / (\text{total outstanding})$$
$$\% \text{ LGD} = 1 - \text{recovery rate}$$

For retail asset channel ("RAC") loan portfolio

For RAC loan portfolio, the Company has developed internal rating based approach for the purpose of ECL. The credit rating framework of the Company consists of various parameters based on which RAC loan portfolio is evaluated and credit rating is assigned.

The Company has developed its PD matrix based on the benchmarking of various external reports, ratings and Basel norms. This PD matrix is calibrated with its historical data and major events at a regular time interval in accordance with its ECL policy.

The LGD has been considered based on Base-II Framework for all the level of RAC credit rating portfolio.

The Company calculates PD, EAD and LGD to determine impairment loss on the portfolio of loans and discounted at an approximation to the EIR. At every reporting date, the above calculated EADs are reviewed. While at every year end, LGDs and PDs are reviewed and changes in the forward looking estimates are analysed.

The mechanics of the ECL method are summarised below:

Stage 1: The 12 months ECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Company calculates the 12 months ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-months default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.

Stage 3: For loans considered credit-impaired, the Company recognises the lifetime expected credit losses for these loans. The method is similar to that for stage 2 assets, with the PD set at 100%. Credit impairment loans are determined at borrower level.

Loan commitments When estimating ECL for undrawn loan commitments, the Company estimates the amount sanctioned that will be disbursed after the reporting date. The ECL is then calculated using PD and LGD.

Management overlay is used to adjust the ECL allowance in circumstances where management judges that the existing inputs, assumptions and model techniques do not capture all the risk factors relevant to the Company's lending portfolios. Emerging local or global macroeconomic, micro economic or political events, and natural disasters that are not incorporated into the current parameters, risk ratings, or forward looking information are examples of such circumstances. The use of management overlay may impact the amount of ECL recognized.



MAAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

3.6 Impairment of financial assets (Continued)

B. Calculation of ECLs (Continued)

Significant Increase in credit risk

The Company monitors all financial assets, including loan commitments issued that are subject to impairment requirements, to assess whether there has been a significant increase in credit risk since initial recognition. In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience that is available without undue cost or effort. However, when a financial asset becomes 30 days past due, the Company considers that a significant increase in credit risk has occurred and the asset is classified in Stage 2 of the impairment model, i.e. the loss allowance is measured as the lifetime ECL. Further, a stage 2 customer having other loans which are in stage 1 are considered to have significant increase in credit risk.

Definition of default

The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL.

Financial assets in default represent those that are at least 90 DPD in respect of principal or interest and/or where the assets are otherwise considered to be unlikely to pay, including those that are credit-impaired.

C. Loans and advances measured at FVOCI

The ECLs for loans and advances measured at FVOCI do not reduce the carrying amount of these financial assets in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount, with a corresponding charge to profit or loss. The accumulated loss recognised in OCI is recycled to the statement of profit and loss upon derecognition of the assets.

D. Forward looking Information

In its ECL models, the Company relies on a broad range of forward looking macro parameters and estimated the impact on the default at a given point of time. For this purpose, the Company has used the data source of Economist Intelligence Unit.

3.7 Write-offs

The gross carrying amount of a financial asset is written off when the chances of recoveries are remote. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in Statement of profit and loss.

3.8 Determination of fair value

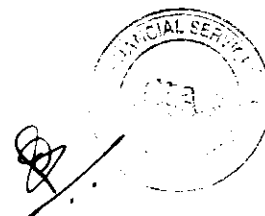
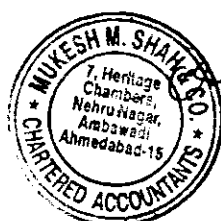
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company has taken into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements 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 described as follows:

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

- Level 2 financial instruments: Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads; and

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



MA\$ FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

3.9 (I) Recognition of other income

Revenue (other than for those items to which Ind AS 109 - Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. 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 AS 115 :

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation

A. Dividend Income

Dividend income (including from FVOCI investments) is recognised when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably. This is generally when the shareholders approve the dividend.

B. Rental Income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in rental income in the statement of profit and loss, unless the increase is in line with expected general inflation, in which case lease income is recognised based on contractual terms.

C. Other interest income

Other interest income is recognised on a time proportionate basis.

D. Fees and commission income

Fees and commission income such as stamp and document charges, guarantee commission, service income, due diligence & evaluation charges and portfolio monitoring fees etc. are recognised on point in time basis.

3.9 (II) Recognition of other expense

A. Finance cost

Finance costs are the interest and other costs that the Company incurs in connection with the borrowing of funds. Interest expenses are computed based on effective interest rate method.

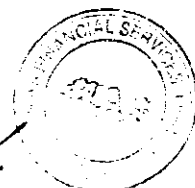
Finance costs include interest expense computed by applying the effective interest rate on respective financial instruments measured at Amortized cost. Financial instruments include bank term loans, non-convertible debentures, commercial papers, subordinated debts, perpetual debts and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Finance costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

All other finance costs are charged to the statement of profit and loss for the period for which they are incurred.

3.10 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.



M.A.S FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

3.11 Property, plant and equipment

Property, plant and equipment ("PPE") are carried at cost, less accumulated depreciation and impairment losses, if any. The cost of PPE comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use and other incidental expenses. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates. Subsequent expenditure on PPE after its purchase is capitalized only if it is probable that the future economic benefits will flow to the Company and the cost of the item can be measured reliably.

Depreciation is calculated using the straight line method to write down the cost of property, plant and equipment to their residual values over their estimated useful lives as specified under schedule II of the Act. Land is not depreciated. All assets individually costing less than Rs. 5,000 are fully depreciated in the year of purchase.

The estimated useful lives are, as follows:

- i) Buildings - 60 years
- ii) Office equipments - 3 to 10 years
- iii) Furniture and fixtures - 10 years
- iv) Vehicles - 8 years

Depreciation is provided on a pro-rata basis from the date on which such asset is ready for its intended use.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

PPE is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised.

Advances paid towards the acquisition of PPE outstanding at each balance sheet date are disclosed separately under other non-financial assets. Capital work in progress comprises the cost of PPE that are not ready for its intended use at the reporting date. Capital work-in-progress is stated at cost, net of impairment loss, if any.

3.12 Intangible assets

The Company's intangible assets include the value of software. 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.

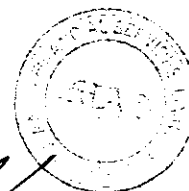
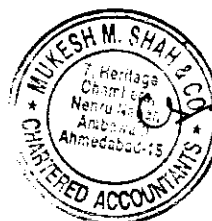
Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives (three years) using the straight-line method, and is included in depreciation and amortisation in the statement of profit and loss.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as 'Intangible assets under development'.

3.13 Impairment of non financial assets - property, plant and equipments and Intangible assets

The carrying values of assets / cash generating units at the each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and if the carrying amount of these assets exceeds their recoverable amount, impairment loss is recognised in the statement of profit and loss as an expense, for such excess amount. The recoverable amount is the greater of the net selling price and value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the statement of profit and loss.



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FLS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2024

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

3.14 Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less

Lease payments associated with short term leases or low value leases are recognised as an expense on a straight-line basis over the lease term.

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

3.15 Corporate guarantees

Corporate guarantees are initially recognised in the standalone financial statements (within "other non-financial liabilities") at fair value, being the notional commission. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Any increase in the liability relating to financial guarantees is recorded in the statement of profit and loss. The notional commission is recognised in the statement of profit and loss under the head fees and commission income on a straight line basis over the life of the guarantee.

3.16 Retirement and other employee benefits

Defined contribution plans

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

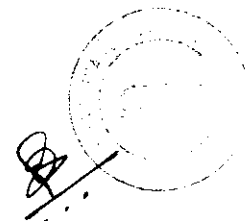
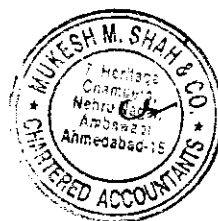
Defined benefit plans

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation / retirement. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act, 1972.

The gratuity liability amount is contributed by the Company to the Life insurance corporation of India who administers the fund of the Company.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

As per Ind AS 19, the service cost and the net interest cost are charged to the statement of profit and loss. Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI.



MA\$ FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2024

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

3.16 Retirement and other employee benefits (Continued)

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

The cost of short-term compensated absences is accounted as under:

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

3.17 Provisions, contingent liabilities and contingent assets

A. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, the Company determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

B. Contingent liability

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or, present obligation that arises from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability are disclosed as contingent liability and not provided for.

C. Contingent asset

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are neither recognised nor disclosed in the financial statements.

3.18 Taxes

A. Current tax

Current tax comprises amount of tax payable in respect of the taxable income or loss for the year determined in accordance with Income Tax Act, 1961 and any adjustment to the tax payable or receivable in respect of previous years. Current tax is the amount of tax payable on the taxable income for the period as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or equity.

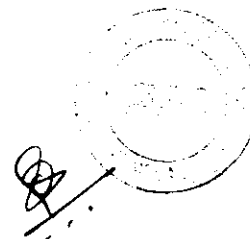
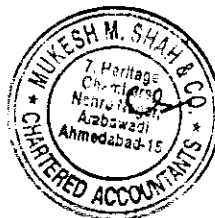
B. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities 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 carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or equity.

Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off.



MA\$ FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

3.18 Taxes (Continued)

C. Goods and services tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the goods and services tax paid, except when the tax incurred on a purchase of assets or availing of services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

3.19 Earnings per share

Basic earnings per share ("EPS") is computed by dividing the profit after tax (i.e. profit attributable to ordinary equity holders) by the weighted average number of equity shares outstanding during the year.

Diluted EPS is computed by dividing the profit after tax (i.e. profit attributable to ordinary equity holders) as adjusted for after-tax amount of dividends and interest recognised in the period in respect of the dilutive potential ordinary shares and is adjusted for any other changes in income or expense that would result from the conversion of the dilutive potential ordinary shares, by the weighted average number of equity shares considered for deriving basic earnings per share as increased by the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits, right issue and bonus shares, as appropriate.

3.20 Dividends on ordinary shares

The Company recognises a liability to make cash or non-cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the Act, final dividend is authorised when it is approved by the shareholders and interim dividend is authorised when it is approved by the Board of Directors of the Company. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit and loss.

3.21 Repossessed asset

In the normal course of business whenever default occurs, the Company may take possession of properties or other assets in its retail portfolio and generally disposes such assets through auction, to settle the outstanding debt.

3.22 (I) Foreign Currency Transactions

Transactions in foreign currencies are recorded at the rate of exchange prevailing on the date of transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency at rates of exchange on the reporting date.

Exchange difference on restatement of all other monetary items is recognised in the Statement of Profit and Loss.

(II) Derivatives

A derivative is a financial instrument or other contract with all three of the following characteristics:

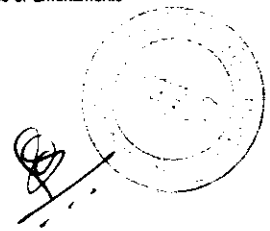
- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract (i.e., the 'underlying').
- It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts expected to have a similar response to changes in market factors.
- It is settled at a future date.

The Company enters into derivative transactions with various counterparties to hedge its foreign currency exchange rate risks. Derivative transaction consists of hedging of foreign exchange transactions, which includes forward contracts.

Derivatives are recorded at fair value and carried as assets when their fair value is positive and as liabilities when their fair value is negative. The notional amount and fair value of such derivatives are disclosed separately. Changes in the fair value of derivatives are recognised in the Statement of Profit and Loss.

4. STANDARDS ISSUED BUT NOT YET EFFECTIVE

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.



FA\$ FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)

AS AT 31 MARCH 2024

(₹ In Crores)

	As at 31 March 2024	As at 31 March 2023
5 Cash and cash equivalents		
Cash on hand	0.12	0.14
Balances with banks:		
In current / cash credit accounts	102.84	67.64
Bank deposits with original maturity of 3 months or less	75.06	170.08
Total cash and cash equivalents	178.02	237.86
6 Bank balance other than cash and cash equivalents		
In current accounts (refer note 1 below)	0.11	0.12
Earmarked balances with banks:		
Unclaimed dividend bank balances	0.02	0.02
Unspent CSR bank balances	5.72	5.34
In fixed deposit accounts:		
Deposits given as security against borrowings and other commitments	23.45	22.74
Bank deposits with original maturity of more than 3 months (refer note 2 below)	634.97	505.55
Total bank balance other than cash and cash equivalents	664.27	533.77

Notes:

- Balance represents balance with banks in earmarked account i.e. "collection and pay-out account".
- Represents bank deposits against overdraft facility except balance amounting to ₹ 0.10 crore as regular deposit.

7 Trade receivables

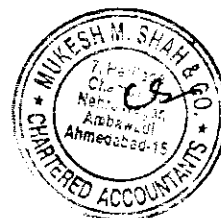
Trade receivables considered good-secured	-	-
Trade receivables considered good-unsecured	6.52	4.27
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
Total trade receivables	6.52	4.27

Notes:

- Impairment allowance recognised on trade receivables is ₹ Nil (Previous years: ₹ Nil).
- There is no due by directors or other officers of the Company or any firm or private company in which any director is a partner, a director or a member.

Trade Receivables ageing schedule as at 31 March 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	5.09	1.28	0.15	-	-	6.52
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
Disputed Trade Receivables–considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-



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MA\$ FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
AS AT 31 MARCH 2024

(₹ In Crores)

7 Trade receivables (Continued)

Trade Receivables ageing schedule as at 31 March 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	4.00	0.15	0.12	-	-	4.27
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
Disputed Trade Receivables—considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-



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MA S FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
AS AT 31 MARCH 2024

(₹ In Crores)

8 Loans

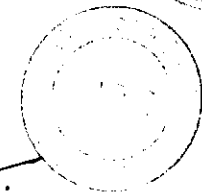
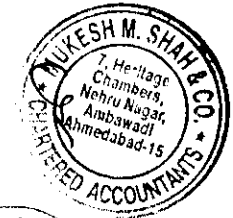
	As at 31 March 2024			As at 31 March 2023		
	At amortised cost	At fair value through OCI	Total	At amortised cost	At fair value through OCI	Total
(A) (I) Bills Receivables	121.07	-	121.07	82.38	-	82.38
(II) Term loans	-	7,144.04	7,144.04	-	5,828.31	5,828.31
Total (A)-Gross	121.07	7,144.04	7,265.11	82.38	5,828.31	5,910.69
Less: Impairment loss allowance	(0.28)	-	(0.28)	(0.53)	-	(0.53)
Total (A)-Net	120.79	7,144.04	7,264.83	81.85	5,828.31	5,910.16
(B) (i) Secured by tangible assets	121.07	4,840.78	4,961.85	82.38	4,300.77	4,383.15
(ii) Unsecured	-	2,303.26	2,303.26	-	1,527.54	1,527.54
Total (B)-Gross	121.07	7,144.04	7,265.11	82.38	5,828.31	5,910.69
Less: Impairment loss allowance	(0.28)	-	(0.28)	(0.53)	-	(0.53)
Total (B)-Net	120.79	7,144.04	7,264.83	81.85	5,828.31	5,910.16
(C) (I) Loans in India						
(i) Public sector	-	-	-	-	-	-
(ii) Private sector	121.07	7,144.04	7,265.11	82.38	5,828.31	5,910.69
Total (C)-Gross	121.07	7,144.04	7,265.11	82.38	5,828.31	5,910.69
Less: Impairment loss allowance	(0.28)	-	(0.28)	(0.53)	-	(0.53)
Total (C) (I) -Net	120.79	7,144.04	7,264.83	81.85	5,828.31	5,910.16
(C) (II) Loans outside India						
Less: Impairment loss allowance	-	-	-	-	-	-
Total (C) (II) - Net	-	-	-	-	-	-
Total C(I) and C(II)	120.79	7,144.04	7,264.83	81.85	5,828.31	5,910.16

Loans or advances in the nature of loans are granted to promoters, directors, KMPs, and the related parties, either severally or jointly with any other person

Particulars	As at	% to the total	As at	% to the total
	31 March 2024	Loans and Advances in the nature of loans	31 March 2023	Loans and Advances in the nature of loans
Promoter		Nil		Nil
Directors		Nil		Nil
KMPs		Nil		Nil
Related parties		Nil		Nil

Notes:

- There are no loans outstanding to Companies in which directors are interested.
- The impairment on loans measured at FVOCI do not reduce the carrying amount of these financial assets in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount, with a corresponding charge to profit or loss.



FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
AS AT 31 MARCH 2024

(₹ In Crores)

8.1 An analysis of changes in the gross carrying amount of loans is given below#

	31 March 2024				31 March 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	5,708.06	111.31	132.70	5,952.06	4,401.63	90.63	104.89	4,597.05
Changes in opening credit exposures (net of repayment and excluding write off)	(4,230.83)	(61.29)	(48.97)	(4,341.09)	(3,193.32)	(31.31)	(39.35)	(3,263.98)
New assets originated (net of repayment)**	5,635.68	78.71	54.18	5,768.57	4,574.47	66.89	20.28	4,661.64
Transfers from Stage 1	(91.11)	32.72	58.39	-	(84.61)	33.04	51.57	-
Transfers from Stage 2	3.33	(45.47)	42.14	-	9.67	(47.64)	38.17	-
Transfers from Stage 3	1.20	-	(1.20)	-	0.38	-	(0.38)	-
Amounts written off (net of recoveries)	(0.11)	(1.36)	(46.66)	(48.13)	(0.17)	-	(42.48)	(42.65)
Gross carrying amount closing balance	7,026.21	114.62	190.68	7,331.41	6,708.05	111.31	132.70	6,952.06

The above classification also includes balance of spread receivable on assigned portfolio. (Refer note 10)

* Represents amount less than ₹ 50,000

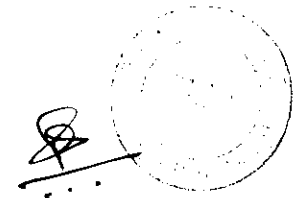
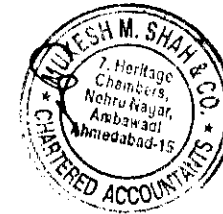
** New assets originated are those assets which have either remained in stage 1 or have become stage 2 or 3 at the year end.

8.2 Reconciliation of ECL balance is given below

	31 March 2024				31 March 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	30.34	19.77	63.38	113.49	48.20	10.29	44.70	103.20
Changes in opening credit exposures (net of repayment and excluding write off)	1.70	3.79	(13.99)	(8.50)	(11.69)	5.86	(10.21)	(16.04)
New assets originated (net of repayment)	23.74	17.71	19.13	60.58	24.71	12.93	6.75	44.39
Transfers from Stage 1	(26.85)	7.78	18.88	-	(27.92)	5.62	22.30	-
Transfers from Stage 2	0.07	(22.74)	22.87	-	0.05	(14.91)	14.86	-
Transfers from Stage 3	0.00	-	(0.00)	-	0.00	-	(0.00)	-
Amounts written off	(0.00)	(0.25)	(25.85)	(26.10)	(0.00)	(0.04)	(25.05)	(25.09)
ECL allowance - closing balance	29.21	28.06	74.17	131.44	30.34	19.77	63.38	113.49

The contractual amount outstanding on loans that have been written off during the year, but were still subject to enforcement activity is ₹ 48.13 crores at 31 March 2024 (31 March 2023 : ₹ 42.65 crores).

The increase in ECL was driven by an increase in the gross amount of the portfolio, movements between stages as a result of increase in credit risk, change in probability of default, macro economic factors and management overlays due to estimated macro-economic factors. The extent to which macro-economic factors will impact current estimates of ECL is uncertain at this point of time. The Company has conducted a qualitative assessment and has considered forecasted macro economic factors and a higher probability of default to factor on impairment allowances. For further details, refer note 43.



AA FINANCIAL SERVICES LIMITED

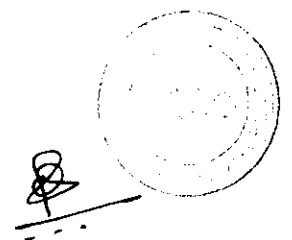
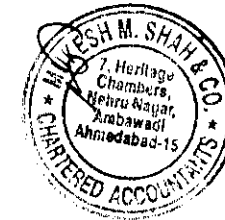
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
AS AT 31 MARCH 2024

(₹ In Crores)

8.3 Credit quality of loan assets

The table below shows the gross carrying amount of loans based on the Company's internal grades and year-end stage classification of loans. The amounts presented are gross of impairment allowances. Details of the Company's internal grades are explained in note 43.1.

	31 March 2024				31 March 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Internal grades								
Performing								
High quality assets	7,026.21	-	-	7,026.21	5,708.05	-	-	5,708.05
Quality assets	-	59.04	-	59.04	-	79.23	-	79.23
Standard assets	-	55.58	-	55.58	-	32.08	-	32.08
Non-performing								
Sub standard assets	-	-	96.61	96.61	-	-	44.99	44.99
Low quality assets	-	-	93.97	93.97	-	-	87.71	87.71
Total	7,026.21	114.62	190.58	7,331.41	5,708.05	111.31	132.70	5,952.06



RAAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued) AS AT 31 MARCH 2024

(₹ In Crores)

9 Investments

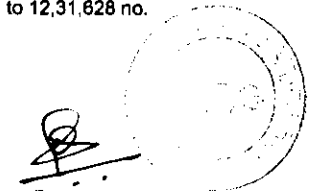
	As at 31 March 2024				As at 31 March 2023			
	At amortised cost	At fair value through P&L	Others	Total	At amortised cost	At fair value through P&L	Others	Total
Investments in								
Alternative investment funds	-	2.36	-	2.36	-	38.97	-	38.97
Pass through certificates under securitization transactions	507.81	-	-	507.81	527.76	-	-	527.76
Market linked debentures	-	50.95	-	50.95	-	176.78	-	176.78
Non - convertible debentures	159.08	-	-	159.08	31.62	-	-	31.62
Mutual fund units	-	6.14	-	6.14	-	4.68	-	4.68
Subsidiaries #	-	-	61.55	61.55	-	-	46.55	46.55
Total – Gross (A)	666.89	59.45	61.55	787.89	559.38	220.43	46.55	826.36
(i) Investments outside India	-	-	-	-	-	-	-	-
(ii) Investments in India	666.89	59.45	61.55	787.89	559.38	220.43	46.55	826.36
Total (B)	666.89	59.45	61.55	787.89	559.38	220.43	46.55	826.36
Less: Allowance for Impairment Loss (C)	(0.18)	-	-	(0.18)	(0.24)	-	-	(0.24)
Total – Net D= (A)-(C)	666.71	59.45	61.55	787.71	559.14	220.43	46.55	826.12

Investments in subsidiaries

	31 March 2024	31 March 2023
Investment in equity shares of subsidiaries [Refer note below]	35.09	20.09
Investment in optionally convertible preference shares of subsidiary	20.00	20.00
Deemed investment in optionally convertible preference shares of subsidiary	4.00	4.00
Investment in subsidiary on account of:		
Corporate financial guarantee given to bank on behalf of subsidiary	2.39	2.39
Issuance of equity shares to the employees of subsidiary at discount	0.07	0.07
Total	61.55	46.55

Note : During the F.Y 2023-24, the Company has invested an amount of ₹ 15 crore in RAAS Rural Housing & Mortgage Finance Limited, a subsidiary of the Company, by subscribing to 12,31,628 no. of equity shares of face value of ₹ 10 each for cash at ₹ 121.79 (including premium of ₹ 111.79) per share.

Equity investment in subsidiary is measured at cost.



MAF FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued) AS AT 31 MARCH 2024

(₹ In Crores)

10 Other financial assets

	As at 31 March 2024	As at 31 March 2023
Security deposits	1.39	1.02
Spread receivable on assigned portfolio	66.30	41.37
Interest accrued but not due on investments	2.75	2.43
Advances to dealers	3.45	7.63
Derivative financial instruments	1.91	-
Other Receivable	-	7.79
Total other financial assets	75.80	60.24

11 Property, plant and equipments and intangible assets

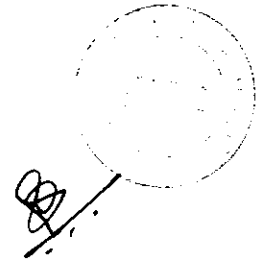
Nature of assets	Property, plant and equipment (a)					Intangible assets (b)	
	Buildings	Office equipment	Furniture and fixtures	Vehicles	Total	Software	Total
Cost							
At 31 March 2022	6.68	4.45	3.36	2.86	17.34	0.60	0.60
Additions	-	1.44	1.20	0.95	3.59	1.04	1.04
Disposals	-	-	-	0.42	0.42	-	-
At 31 March 2023	6.68	5.89	4.56	3.39	20.51	1.64	1.64
Additions	-	2.61	1.68	3.11	7.40	0.50	0.50
Disposals	-	-	-	-	-	-	-
At 31 March 2024	6.68	8.50	6.24	6.50	27.91	2.14	2.14
Depreciation/Amortisation							
At 31 March 2022	0.54	2.22	1.08	1.11	4.95	0.38	0.38
Depreciation/amortization charge	0.11	0.87	0.50	0.41	1.89	0.23	0.23
Disposal	-	-	-	0.28	0.28	-	-
At 31 March 2023	0.65	3.09	1.58	1.24	6.56	0.61	0.61
Depreciation/amortization charge	0.12	1.26	0.76	0.58	2.72	0.52	0.52
Disposal	-	-	-	-	-	-	-
At 31 March 2024	0.77	4.35	2.34	1.82	9.28	1.13	1.13
Net block value:							
At 31 March 2023	6.03	2.80	2.98	2.15	13.95	1.03	1.03
At 31 March 2024	5.91	4.15	3.90	4.68	18.63	1.01	1.01

Note: No revaluation of any class of asset is carried out during the year.

(c) Capital work in progress

Capital work in progress includes borrowing costs related to development of building amounted to ₹ 1.01 crores (31 March 2023: ₹ 1.24 crores). Finance costs are capitalised at MCLR + 1.15% p.a. - presently 10.30% p.a. for the year ended 31 March 2024.

Capital work-in-progress	
At 31 March 2022	52.04
Additions	5.62
Disposals	-
At 31 March 2023	57.66
Additions	12.14
Disposals	-
At 31 March 2024	69.80



MAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
AS AT 31 MARCH 2024

(₹ In Crores)

11 Property, plant and equipments and Intangible assets (Continued)

(c) Capital work in progress (Continued)

Capital work in progress aging schedule

Capital work in progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March 2024					
Projects in progress	12.14	5.72	1.91	50.03	69.80
Projects temporarily suspended	-	-	-	-	-
As at 31 March 2023					
Projects in progress	5.72	1.91	1.81	48.21	57.66
Projects temporarily suspended	-	-	-	-	-

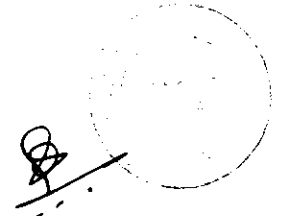
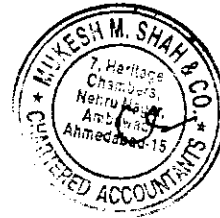
Capital work in progress completion schedule for projects where completion is overdue

Capital work in progress	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March 2024					
MAS headquarters	-	-	-	69.80	69.80
As at 31 March 2023					
MAS headquarters	-	-	-	57.66	57.66

(d) Right-of-use asset

The details of the right-of-use asset held by the Company is as follows.

Office Premises		
At 31 March 2022		2.48
Additions		0.80
Disposals		-
At 31 March 2023		3.28
Additions		2.82
Disposals		0.34
At 31 March 2024		5.56
Depreciation		
At 31 March 2022		1.85
Additions		0.27
Disposals		-
At 31 March 2023		2.22
Additions		0.57
Disposals		0.04
At 31 March 2024		2.75
Net Block Value:		
At 31 March 2023		1.06
At 31 March 2024		2.82



M.A.S FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
AS AT 31 MARCH 2024

(₹ In Crores)

11 Property, plant and equipments and intangible assets (Continued)

(e) Intangible assets under development

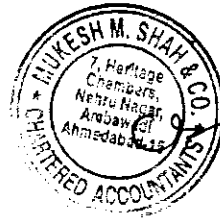
Intangible assets under development	
At 31 March 2022	0.04
Additions	0.33
Disposals	0.04
At 31 March 2023	0.33
Additions	0.24
Disposals	0.33
At 31 March 2024	0.24

Intangible assets under development aging schedule

Intangible assets under development	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March 2024					
Projects in progress	0.24	-	-	-	0.24
Projects temporarily suspended	-	-	-	-	-
As at 31 March 2023					
Projects in progress	0.33	-	-	-	0.33
Projects temporarily suspended	-	-	-	-	-

12 Other non-financial assets

	As at 31 March 2024	As at 31 March 2023
Prepaid expenses	14.24	4.44
Advances to employees	0.18	0.11
Re-possessed assets	8.16	3.54
Balance with Government Authorities	2.23	1.48
Capital advances	0.03	0.02
Gratuity fund [Refer note 40(b)]	1.23	0.54
Other advances	1.03	0.68
Total	27.10	10.79



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MA\$ FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued) AS AT 31 MARCH 2024

(₹ In Crores)

	As at 31 March 2024	As at 31 March 2023
13 Payables		
(a) Trade payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	0.13
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	15.74	11.51
(b) 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	1.14	1.84
Total	16.88	13.48

Trade Payables aging schedule

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March 2024					
(i) MSME	-	-	-	-	-
(ii) Others	15.74	-	-	-	15.74
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
As at 31 March 2023					
(i) MSME	0.13	-	-	-	0.13
(ii) Others	11.50	-	0.01	-	11.51
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Micro, Small and Medium Enterprises:

Based on and to the extent of the information received by the Company from the suppliers during the year regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the total outstanding dues of Micro and Small enterprises, which are outstanding for more than the stipulated period and other disclosures as per the Micro, Small and Medium Enterprises Development Act, 2006 (hereinafter referred to as 'the MSMED Act') are given below:

	As at 31 March 2024	As at 31 March 2023
(a) Dues remaining unpaid to any supplier at the year end		
- Principal	-	0.13
- Interest on above	-	-
(b) Interest paid in terms of Section 16 of the MSMED Act along with the amount of payment made to the supplier beyond the appointed day during the year		
- Principal paid beyond the appointed date	-	-
- Interest paid in terms of Section 16 of the MSMED Act	-	-
(c) Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year	-	-
(d) Amount of interest accrued and remaining unpaid	-	-
(e) Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises	-	-



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FLS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued) AS AT 31 MARCH 2024

(₹ In Crores)

	As at 31 March 2024	As at 31 March 2023
14 Debt securities (at amortised cost) (refer note 14.1)		
Secured non-convertible debentures	531.25	31.25
Secured Market Linked debenture	100.00	600.00
Less: Unamortised borrowing costs	(4.39)	(3.99)
Total	626.86	627.26
Debt securities in India	626.86	627.26
Debt securities outside India	-	-
Total	626.86	627.26
15 Borrowings (Other than debt securities) (at amortised cost)		
(a) Term loans (refer note 15.1)		
(i) from banks		
-In Indian Rupees	3,324.96	3,001.62
-In Foreign Currency [refer note 43.3(b)]	577.04	-
(ii) from other parties (financial institutions)	1,142.02	678.40
(b) Loans repayable on demand from banks-cash credit/overdraft (Refer note below)	-	0.01
(c) Short term loans from banks (Refer note below)	1,114.50	1,304.43
Less: Unamortised borrowing costs	(38.18)	(26.90)
Total	6,120.36	4,957.56
Secured	6,095.45	4,932.69
Unsecured	24.91	24.87
Total	6,120.36	4,957.56
Borrowings in India	6,120.36	4,957.56
Borrowings outside India	-	-
Total	6,120.36	4,957.56

Note:

For Cash credit / Overdraft and short term loans

(a) Cash credit / short term loans from banks are secured by hypothecation of movable assets of the Company and goods covered under hypothecation ("HP") agreements / Loan cum HP agreements and book debts, receivables, loans and advances and entire portfolio outstanding (except specific portfolio generated from various term loans sanctioned by various banks/financial institutions on an exclusive basis) and equitable mortgage/negative lien by deposit of title deeds on some of the Company's immovable properties, as collateral security. The loans are also guaranteed by Mr. Kamlesh Chimantia Gandhi, Mrs. Shweta Kamlesh Gandhi. Overdraft loans are secured against fixed deposits placed.

(b) Interest rate range

Interest rate ranges from 8.75 % p.a. to 9.40 % p.a. as at 31 March 2024.
Interest rate ranges from 7.45 % p.a. to 11.55 % p.a. as at 31 March 2023.

The Company has not defaulted in repayment of borrowings and interest.

The Company has availed borrowings from banks or financial institutions on the basis of security of current assets and the quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts of the Company.

The carrying amount of financial assets which is hypothecated against all secured borrowing inclusive of margin requirement ranging from 1.10 times to 1.25 times is amounting to ₹ 7,512.28 crores (31 March 2023: ₹ 6,291.38 crores).

16 Subordinated liabilities (at amortised cost)

Unsecured debentures (refer note 16.1)	310.00	260.00
Less: Unamortised borrowing costs	(7.89)	(7.30)
Total	302.11	252.70
Subordinated liabilities in India	302.11	252.70
Subordinated liabilities outside India	-	-
Total	302.11	252.70



FINANCIAL SERVICES LIMITED

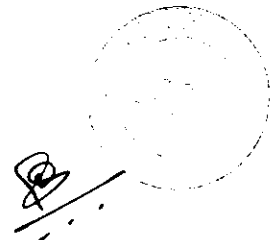
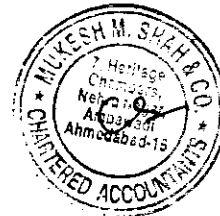
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
AS AT 31 MARCH 2024

(₹ In Crores)

14 Debt securities (at amortised cost): (Continued)

14.1 Details of terms of redemption/repayment in respect of debt securities:

	As at 31 March 2024	As at 31 March 2023	Terms of redemption/ repayment	Security
Debentures				
500 rated, listed, redeemable, senior, secured, non-convertible debentures of ₹ 10,00,000 each	6.25	31.25	Coupon Rate: Benchmark Rate +173 bps Coupon Payment frequency : Monthly and on Maturity Principal Payment frequency: Quarterly Tenor : 2 years	Secured by a first ranking exclusive Hypothecation charge over Assets
10,000, secured, listed, rated, unsubordinated, redeemable, transferable, non-convertible debentures ₹1,00,000 each	100.00	-	Coupon Rate: Benchmark Rate +271 bps Coupon Payment frequency : Quarterly and on Maturity Principal Payment frequency: Bullet Payment at the end of the tenor Tenor : 3 years	Secured by a first ranking exclusive Hypothecation charge over Assets
10000, rated, listed, senior, secured, redeemable, taxable, transferable, non-convertible debentures of ₹1,00,000 each	100.00	-	Coupon Rate: Fixed Coupon Payment frequency : Monthly and on Maturity Principal Payment frequency: Bullet Payment at the end of the tenor Tenor : 1 year 6 months	Secured by a first ranking exclusive Hypothecation charge over Assets
12,500, fully paid, senior, secured, listed, rated, taxable, redeemable, transferable, non-convertible debentures ₹1,00,000 each	125.00	-	Coupon Rate: Benchmark Rate +266 bps Coupon Payment frequency : Yearly and on Maturity Principal Payment frequency: Bullet Payment at the end of the tenor Tenor : 1 year 6 months	Secured by a first ranking exclusive Hypothecation charge over Assets
20,000 rated, listed, senior, secured, redeemable, transferable, taxable, non-convertible debentures of ₹1,00,000 each	200.00	-	Coupon Rate: Benchmark rate Coupon Payment frequency : Monthly and on Maturity Principal Payment frequency: Semi annually Tenor : 4 years	Secured by a first ranking exclusive Hypothecation charge over Assets
Market Linked Debentures	-	100.00	Coupon Rate: Market Linked Coupon Payment frequency : on Maturity Principal Payment frequency: Bullet Payment at the end of the tenor Tenor : 2 Year and 6 Month	Secured by a first ranking exclusive Hypothecation charge over Assets
Market Linked Debentures	-	100.00	Coupon Rate: Market Linked Coupon Payment frequency : on Maturity Principal Payment frequency: Bullet Payment at the end of the tenor Tenor : 2 Year and 1 day	Secured by a first ranking exclusive Hypothecation charge over Assets
Market Linked Debentures	-	100.00	Coupon Rate: Market Linked Coupon Payment frequency : on Maturity Principal Payment frequency: Bullet Payment at the end of the tenor Tenor : 2 Year and 2 months	Secured by a first ranking exclusive Hypothecation charge over Assets



MAA FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
AS AT 31 MARCH 2024

(₹ In Crores)

14 Debt securities (at amortised cost): (Continued)

14.1 Details of terms of redemption/repayment in respect of debt securities:

	As at 31 March 2024	As at 31 March 2023	Terms of redemption/ repayment	Security
Debt securities				
Market Linked Debentures	-	100.00	Coupon Rate: Market Linked Coupon Payment frequency : on exclusive Maturity Principal Payment frequency: Bullet Payment at the end of the tenor Tenor: 1 Year and 6 months	Secured by a first ranking Hypothecation charge over Assets
Market Linked Debentures	-	100.00	Coupon Rate: Market Linked Coupon Payment frequency : on exclusive Maturity Principal Payment frequency: Bullet Payment at the end of the tenor Tenor: 1 Year and 6 months	Secured by a first ranking Hypothecation charge over Assets
Market Linked Debentures	100.00	100.00	Coupon Rate: Market Linked Coupon Payment frequency : on exclusive Maturity Principal Payment frequency: Bullet Payment at the end of the tenor Tenor: 2 Year and 2 days	Secured by a first ranking Hypothecation charge over Assets
Total debt securities	631.25	631.25		



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MA S FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
AS AT 31 MARCH 2024

(₹ In Crores)

15 Borrowings (other than debt securities) (at amortised cost): (Continued)

15.1 Details of terms of repayment in respect of term loans:

	As at 31 March 2024	As at 31 March 2023	Terms of redemption/ repayment	Security
Term loans from banks (Refer note i)				
In Indian Rupees				
Term Loan - 1	-	8.00	Repayable in 12 Quarterly installments from 30 June 2021	Exclusive charge by way of hypothecation of on standard receivables of the Borrower
Term Loan - 2	25.00	58.33	Repayable in 12 Quarterly installments from 31 March 2022	Exclusive charge by way of hypothecation of on standard receivables of the Borrower
Term Loan - 3	27.95	43.95	Repayable in 20 Quarterly installments from 30 June 2021.	Secured by a first ranking and exclusive charge on standard receivables of the Company created out of the loan availed. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.
Term Loan - 4	74.99	105.00	Repayable in 20 Quarterly installments from 05 November 2021.	Exclusive charge by way of hypothecation of standard book debts/ receivables which are to be financed by the company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.
Term Loan - 5	66.67	133.33	Repayable in 12 Quarterly installments from 30 June 2022.	Exclusive first charge on the specific loan portfolio of the Borrower by way of hypothecation on the loan installments receivables. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.
Term Loan - 6	41.67	83.33	Repayable in 36 monthly installments from 01 May 2022.	First Exclusive hypothecation charge on book debts created out of Bank Loan.
Term Loan - 7	50.09	70.03	Repayable in 20 Quarterly installments from 31 March 2022.	Exclusive charge by way of hypothecation of standard book debts/ receivables which are financed/ to be financed by the company out of the proposed term loan to the Company.
Term Loan - 8	-	27.27	Repayable in 33 monthly installments from 30 July 2021.	Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed.
Term Loan - 9	18.18	36.36	Repayable in 33 monthly installments from 30 July 2022.	Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed.



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MA S FINANCIAL SERVICES LIMITED

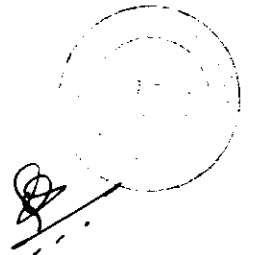
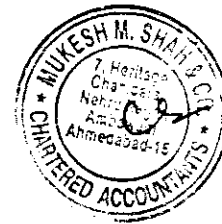
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
AS AT 31 MARCH 2024

(₹ In Crores)

15 Borrowings (other than debt securities) (at amortised cost): (Continued)

15.1 Details of terms of repayment in respect of term loans: (Continued)

	As at 31 March 2024	As at 31 March 2023	Terms of redemption/ repayment	Security
Term Loans from Banks (Continued)				
Term Loan - 10	8.45	12.24	Repayable in 96 monthly installments from 7 April 2018.	First and exclusive charge on land, property and commercial property under construction.
Term Loan - 11	0.34	2.58	Repayable in 36 monthly installments from 7 April 2021.	Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed.
Term Loan - 12	1.35	10.32	Repayable in 36 monthly installments from 7 April 2021.	Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed.
Term Loan - 13	0.56	4.30	Repayable in 36 monthly installments from 7 April 2021.	Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed.
Term Loan - 14	1.14	3.40	Repayable in 36 monthly installments from 7 August 2021.	Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed.
Term Loan - 15	4.55	13.60	Repayable in 36 monthly installments from 7 August 2021.	Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed.
Term Loan - 16	1.90	5.67	Repayable in 36 monthly installments from 7 August 2021.	Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed.
Term Loan - 17	2.13	4.45	Repayable in 36 monthly installments from 7 January 2022.	Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed.
Term Loan - 18	8.53	17.80	Repayable in 36 monthly installments from 7 January 2022.	Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed.
Term Loan - 19	3.55	7.42	Repayable in 36 monthly installments from 7 January 2022.	Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed.



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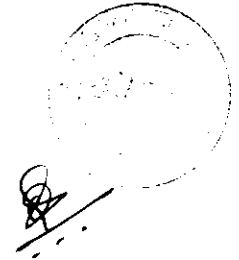
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
AS AT 31 MARCH 2024

(₹ In Crores)

15 Borrowings (other than debt securities) (at amortised cost): (Continued)

15.1 Details of terms of repayment in respect of term loans: (Continued)

	As at 31 March 2024	As at 31 March 2023	Terms of redemption/ repayment	Security
Term Loans from Banks (Continued)				
Term Loan - 20	-	13.33	Repayable in 36 monthly installments from 30 April 2021.	Secured by a first and exclusive charge on specific book debt and future receivables of the Company created/to be created out of the loan availed.
Term Loan - 21	27.94	50.11	Repayable in 18 Quarterly installments from 30 December 2021.	Exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the Company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.
Term Loan - 22	55.64	77.78	Repayable in 18 Quarterly installments from 24 September 2022.	Exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the Company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.
Term Loan - 23	20.00	40.00	Repayable in 10 Quarterly installments from 14 December 2022.	Exclusive charge by way of hypothecation of on standard receivables of the Borrower
Term Loan - 24	8.30	24.98	Repayable in 12 Quarterly installments from 16 December 2021.	Exclusive charge by way of Hypothecation of book debt/receivables arising out of bank financial assets of the borrower.



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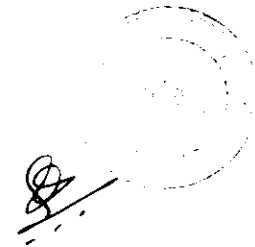
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
AS AT 31 MARCH 2024

(₹ In Crores)

15 Borrowings (other than debt securities) (at amortised cost): (Continued)

15.1 Details of terms of repayment in respect of term loans: (Continued)

	As at 31 March 2024	As at 31 March 2023	Terms of redemption/ repayment	Security
Term Loans from Banks (Continued)				
Term Loan - 25	-	6.50	Repayable in 16 Quarterly installments from 30 September 2019.	Secured by Hypothecation of portfolio of the Company created out of the term loan. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi.
Term Loan - 26	-	25.50	Repayable in 16 Quarterly installments from 29 February 2020.	Secured by Hypothecation of portfolio of the Company created out of the term loan. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi.
Term Loan - 27	5.00	10.00	Repayable in 16 Quarterly installments from 26 June 2021.	Exclusive charge by way of hypothecation on book debts under standard assets portfolio of the borrower eligible for Bank finance.
Term Loan - 28	21.53	65.99	Repayable in 18 Quarterly installments from 31 December 2020.	Exclusive charge by the way of hypothecation on specific receivables of the Company. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.
Term Loan - 29	42.09	63.16	Repayable in 19 Quarterly installments from 30 September 2021.	Exclusive charge by the way of hypothecation on specific receivables of the Company. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.
Term Loan - 30	164.93	225.00	Repayable in 20 Quarterly installments from 31 March 2022.	Exclusive charge by the way of hypothecation on specific receivables of the Company. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.
Term Loan - 31	53.85	84.62	Repayable in 13 Quarterly installments from 29 December 2022.	Exclusive charge on specific standard book debts and receivables which are financed / to be financed by the Company out of the bank finance.
Term Loan - 32	97.50	127.50	Repayable in 20 Quarterly installments from 30 September 2022.	Exclusive charge by way of hypothecation of standard book debts/ receivables which are to be financed by the company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.



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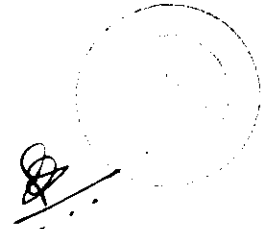
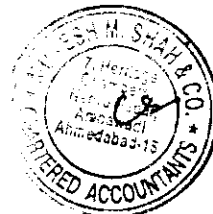
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
AS AT 31 MARCH 2024

(₹ In Crores)

15 Borrowings (other than debt securities) (at amortised cost): (Continued)

15.1 Details of terms of repayment in respect of term loans: (Continued)

	As at 31 March 2024	As at 31 March 2023	Terms of redemption/ repayment	Security
Term Loans from Banks (Continued)				
Term Loan - 33	133.33	200.00	Repayable in 12 Quarterly installments from 30 June 2023.	Exclusive first charge on the specific loan portfolio of the Borrower by way of hypothecation on the loan installments receivables. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.
Term Loan - 34	24.96	41.65	Repayable in 36 monthly installments from 30 October 2022.	Exclusive charge on the specific standard book debts/loan receivables of company.
Term Loan - 35	15.00	25.00	Repayable in 12 Quarterly installments from 23 December 2022.	Exclusive first charge by way of hypothecation of receivables created out of bank finance.
Term Loan - 36	54.55	75.00	Repayable in 33 monthly installments from 31 July 2023.	Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed.
Term Loan - 37	19.07	33.60	Repayable in 36 monthly installments from 7 June 2022.	Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed.
Term Loan - 38	51.08	83.55	Repayable in 36 monthly installments from 7 October 2022.	Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed.
Term Loan - 39	34.72	50.00	Repayable in 36 monthly installments from 7 May 2023.	Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed.
Term Loan - 40	62.50	87.50	Repayable in 16 Quarterly installments from 31 December 2022.	Secured by exclusive charge on the book debt and receivables of the company.
Term Loan - 41	112.50	142.50	Repayable in 20 Quarterly installments from 29 March 2023.	Exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the Company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.
Term Loan - 42	68.75	93.75	Repayable in 16 Quarterly installments from 31 March 2023.	Secured by exclusive charge on the book debt and receivables of the company.
Term Loan - 43	120.00	150.00	Repayable in 20 Quarterly installments from 31 May 2023.	Exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the Company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.
Term Loan - 44	41.64	75.00	Repayable in 12 Quarterly installments from 29 September 2022.	First & Exclusive charge by way of hypothecation on the Borrower's specific loan receivables.



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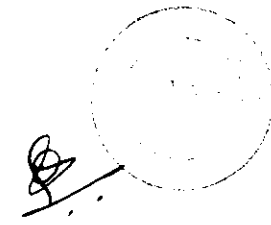
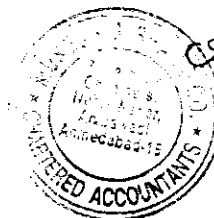
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
AS AT 31 MARCH 2024

(₹ In Crores)

15 Borrowings (other than debt securities) (at amortised cost): (Continued)

15.2 Details of terms of repayment in respect of term loans: (Continued)

	As at 31 March 2024	As at 31 March 2023	Terms of redemption/ repayment	Security
Term Loans from Banks (Continued)				
Term Loan - 45 (refer note below)	300.33	380.00	Repayable in 20 Quarterly installments from 31 January 2023.	Secured by Hypothecation of portfolio of the Company created out of the term loan. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi
Note : Out of the Above ₹ 300.33 crore outstanding as on 31 March 2024, ₹ 23.29 crore is in Indian Rupees and remaining amount of ₹ 277.04 crore is in foreign currency.				
Term Loan - 46	25.00	30.00	Repayable in 30 monthly installments from 6 November 2023.	Exclusive charge by way of hypothecation of the specific receivables/book debt of the company
Term Loan - 47	16.00	29.71	Repayable in 36 monthly installments from 29 July 2022.	Secured by a first and exclusive charge on specific book debt and future receivables of the Company created/to be created out of the loan availed.
Term Loan - 48	11.66	18.33	Repayable in 12 Quarterly installments from 31 March 2023.	Secured by exclusive charge on the book debt and receivables of the company.
Term Loan - 49	14.17	24.17	Repayable in 36 monthly installments from 25 September 2022.	Secured by first and exclusive charge on Book Debts/ Loan assets of the Company.
Term Loan - 50	126.92	-	Repayable in 13 Quarterly installments from 20 December 2023	Exclusive charge on specific standard book debts and receivables which are financed / to be financed by the Company out of the bank finance.
Term Loan - 51	23.08	-	Repayable in 13 Quarterly installments from 16 March 2024.	Exclusive charge on specific standard book debts and receivables which are financed / to be financed by the Company out of the bank finance.
Term Loan - 52	170.00	-	Repayable in 20 Quarterly installments from 30 September 2023.	Exclusive charge by way of hypothecation of standard book debts/ receivables which are to be financed by the company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.
Term Loan - 53	18.10	-	Repayable in 36 monthly installments from 01 June 2023	First and Exclusive charge by Hypothecation of Book Debts
Term Loan - 54	89.97	-	Repayable in 20 Quarterly installments from 31 December 2023.	Exclusive charge by way of hypothecation of standard book debts/ receivables which are financed/ to be financed by the company out of the proposed term loan to the Company.
Term Loan - 55	22.91	-	Repayable in 12 Quarterly installments from 28 March, 2024	Exclusive charge on book debts by way of hypothecation on specific standard receivables of the company
Term Loan - 56	50.00	-	Repayable in 36 monthly installments from 28 April 2024.	Exclusive charge on the specific standard book debts/loan receivables of company.



MA S FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued) AS AT 31 MARCH 2024

(₹ In Crores)

15 Borrowings (other than debt securities) (at amortised cost): (Continued)

15.2 Details of terms of repayment in respect of term loans: (Continued)

	As at 31 March 2024	As at 31 March 2023	Terms of redemption/ repayment	Security
Term Loans from Banks (Continued)				
Term Loan - 57	44.00	-	Repayable in 36 monthly installments from 7 May 2024.	Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed.
Term Loan - 58	84.86	-	Repayable in 36 monthly installments from 7 February 2024.	Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed.
Term Loan - 59	82.86	-	Repayable in 36 monthly installments from 7 October 2023.	Secured by a first and exclusive charge on specific receivables of the Company created out of the loan availed.
Term Loan - 60	135.00	-	Repayable in 20 Quarterly installments from 30 November 2023	Exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the Company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.
Term Loan - 61	67.50	-	Repayable in 20 Quarterly installments from 28 December 2023	Exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the Company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.
Term Loan - 62	71.25	-	Repayable in 20 Quarterly installments from 05 February 2024	Exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the Company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.
Term Loan - 63	37.50	-	Repayable in 12 Quarterly installments from 30 September 2023.	First & Exclusive charge by way of hypothecation on the Borrower's specific loan receivables.
Term Loan - 64	41.67	-	Repayable in 12 Quarterly Installments from 31 October 2023	Hypothecation on the Specific unencumbered secured standard loan receivables and book debts of the company arising from loans and advances.
Term Loan - 65	75.00	-	Repayable in 36 monthly installments from 30 July 2023.	Secured by a first and exclusive charge on specific book debt and future receivables of the Company created/to be created out of the loan availed.
Term Loan - 66 (refer note below)	451.52	-	Repayable in 20 Quarterly installments from 25 December 2023.	Secured by Hypothecation of portfolio of the Company created out of the term loan. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi.

Note : Out of the Above ₹ 451.52 crore outstanding as on 31 March 2024, ₹ 151.52 crore is in Indian Rupees and remaining amount of ₹ 300 crore is in foreign currency.



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MAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)

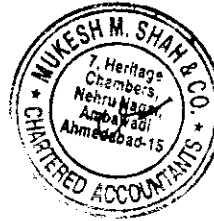
AS AT 31 MARCH 2024

(₹ In Crores)

15 Borrowings (other than debt securities) (at amortised cost): (Continued)

15.2 Details of terms of repayment in respect of term loans: (Continued)

	As at 31 March 2024	As at 31 March 2023	Terms of redemption/ repayment	Security
Term Loans from Banks (Continued)				
Term Loan - 67	100.00	-	Repayable in 36 monthly installments from 30 April 2024.	Secured by a first and exclusive charge on specific book debt and future receivables of the Company created/to be created out of the loan availed.
Term Loan - 68	83.30	-	Repayable in 12 Quarterly installments from 31 December 2023.	Exclusive charge by the way of hypothecation on specific receivables of the Company. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.
Term Loan - 69	187.60	-	Repayable in 16 Quarterly installments from 31 march, 2024	Exclusive First charge by way of hypothecation over specific Standard receivables.
Total term loans from banks	3,902.00	3,001.62		
Note (i): Interest rate ranges from 6.76% p.a. to 10.40% p.a. as at 31 March 2024. Interest rate ranges from 8.65% p.a. to 10.35% p.a. as at 31 March 2023.				



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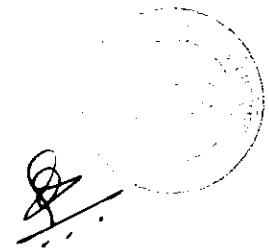
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
AS AT 31 MARCH 2024

(₹ In Crores)

15 Borrowings (other than debt securities) (at amortised cost): (Continued)

15.1 Details of terms of repayment in respect of term loans: (Continued)

	As at 31 March 2024	As at 31 March 2023	Terms of redemption/ repayment	Security
Term loans from others (Refer note II)				
Term Loans from a Financial Institution - 1	-	8.50	Repayable in 36 monthly instalments from 31 January 2021.	Secured by exclusive first charge by way of hypothecation of specific book debts of the Company created out of the loan availed.
Term Loans from a Financial Institution - 2	-	5.33	Repayable in 36 monthly instalments from 30 April 2021.	Secured by exclusive first charge by way of hypothecation of specific book debts of the Company created out of the loan availed.
Term Loans from a Financial Institution - 3	25.00	25.00	Bullet Repayment on 17 August 2026.	N.A.
Term Loans from a Financial Institution - 4	8.33	25.00	Repayable in 36 monthly instalments from 31 October 2021.	Secured by exclusive first charge by way of hypothecation of specific book debts of the Company created out of the loan availed.
Term Loans from a Financial Institution - 5	20.00	33.33	Repayable in 12 Quarterly instalments from 5 October 2022.	Secured by exclusive charge on the book debt and receivables of the company
Term Loans from a Financial Institution - 6	37.25	62.08	Repayable in 36 monthly instalments from 5 October 2022.	Secured by exclusive first charge on the loan portfolio of the borrower by way of hypothecation on the loan instalments receivables created from of the proceeds of the facility.
Term Loans from a Financial Institution - 7	36.35	50.00	Repayable in 11 Quarterly instalments from 10 July 2023.	Secured by Exclusive first charge by way of hypothecation of book debts and receivables charged exclusive for the loan. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi.
Term Loans from a Financial Institution - 8	80.00	120.00	Repayable in 20 Quarterly instalments from 30 June 2021.	Exclusive charge by way of hypothecation of the specific receivables/book debts. Liquid collateral of 10% of the sanctioned amount.



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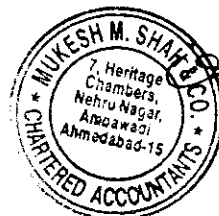
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
AS AT 31 MARCH 2024

(₹ In Crores)

15 Borrowings (other than debt securities) (at amortised cost): (Continued)

15.1 Details of terms of repayment in respect of term loans: (Continued)

	As at 31 March 2024	As at 31 March 2023	Terms of redemption/ repayment	Security
Term loans from others (Continued)				
Term Loans from a Financial Institution - 9	75.00	135.00	Repayable in 30 monthly installments from 10 January 2023.	Secured by exclusive charge by way of hypothecation on book debts and receivables of the Company. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi.
Term Loans from a Financial Institution - 10	75.70	129.10	Repayable in 31 monthly installments from 10 February 2023.	Secured by exclusive charge by way of hypothecation on book debts and receivables of the Company. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi.
Term Loans from a Financial Institution - 11	63.53	85.05	Repayable in 36 monthly installments from 10 October 2022.	Secured by hypothecation of specific book debts created out of the loan availed.
Term Loans from a Financial Institution - 12	21.88	-	Repayable in 8 Quarterly installments from 31 March 2024	Secured by exclusive charge on the book debt and receivables of the company.
Term Loans from a Financial Institution - 13	66.67	-	Repayable in 36 monthly installments from 5 October 2023.	Secured by exclusive first charge on the loan portfolio of the borrower by way of hypothecation on the loan installments receivables created from of the proceeds of the facility.
Term Loans from a Financial Institution - 14	175.00	-	Bullet Repayment on 11 December 2026.	Secured by Exclusive first charge by way of hypothecation of book debts and receivables charged exclusive for the loan. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi.
Term Loans from a Financial Institution - 15	72.72	-	Repayable in 11 quarterly installments from 01 April, 2024	First and exclusive charge by way of Hypothecation on standard book debts
Term Loans from a Financial Institution - 16	62.00	-	Repayable in 33 Monthly installments from 31 May 2024	First and exclusive charge by way of Hypothecation on standard book debts
Term Loans from a Financial Institution - 17	45.09	-	Repayable in 36 Monthly installments from 05 December 2023	First and exclusive charge by way of Hypothecation over the standard loan receivables
Term Loans from a Financial Institution - 18	79.51	-	Repayable in 33 monthly installments from 10 March 2024.	Secured by exclusive charge by way of hypothecation on book debts and receivables of the Company. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi.
Term Loans from a Financial Institution - 19	100.00	-	Repayable in 33 monthly installments from 10 June 2024.	Secured by exclusive charge by way of hypothecation on book debts and receivables of the Company. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi.
Term Loans from a Financial Institution - 20	118.00	-	Repayable in 33 monthly installments from 10 June 2024.	Secured by exclusive charge by way of hypothecation on book debts and receivables of the Company. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi.
Total term loans from others	1,142.02	678.40		
Note (ii): Interest rate ranges from 7.50% p.a. to 11.90% p.a. as at 31 March 2024. Interest rate ranges from 7.50% p.a. to 11.50% p.a. as at 31 March 2023.				



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FINANCIAL SERVICES LIMITED

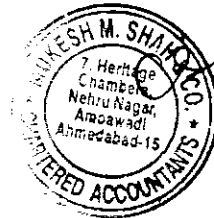
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
AS AT 31 MARCH 2024

(₹ In Crores)

16 Subordinated liabilities (at amortised cost): (Continued)

16.1 Details of terms of repayment in respect of subordinated liabilities:

	As at 31 March 2024	As at 31 March 2023	Terms of redemption/ repayment	Security
Subordinated liabilities				
50, 10.75% unsecured, rated, listed, redeemable, subordinated, taxable, transferable, non-convertible debentures of ₹ 100 lakhs each	50.00	50.00	Coupon Rate: 10.75% p.a. Coupon Payment frequency : Monthly and on Maturity Principal Payment frequency: Bullet Payment at the end of the tenor Tenor : 5 years and 7 months	N.A.
500, 10.75% unlisted, subordinated, unsecured, redeemable, non-convertible debentures of ₹ 10 lakhs each	50.00	50.00	Coupon Rate: 10.75% p.a. Coupon Payment frequency : Monthly and on Maturity Principal Payment frequency: Bullet Payment at the end of the tenor Tenor : 6 years	N.A.
250, 10.75% unlisted, subordinated, unsecured, redeemable, non-convertible debentures of ₹ 10 lakhs each	25.00	25.00	Coupon Rate: 10.75% p.a. Coupon Payment frequency : Monthly and on Maturity Principal Payment frequency: Bullet Payment at the end of the tenor Tenor : 5 years and 7 months	N.A.
3500, 10.75% unlisted, subordinated, unsecured, redeemable, non-convertible debentures of ₹ 1 lakhs each	35.00	35.00	Coupon Rate: 10.75% p.a. Coupon Payment frequency : Monthly and on Maturity Principal Payment frequency: Bullet Payment at the end of the tenor Tenor : 6 years	N.A.
5000, 10.75% unsecured, rated, listed, redeemable, subordinated, taxable, transferable, non-convertible debentures of ₹ 1 lakhs each	50.00	50.00	Coupon Rate: 10.75% p.a. Coupon Payment frequency : Monthly and on Maturity Principal Payment frequency: Bullet Payment at the end of the tenor Tenor : 5 years and 7 months	N.A.
5000, 10.75% unsecured, rated, listed, redeemable, subordinated, taxable, transferable, non-convertible debentures of ₹ 1 lakhs each	50.00	50.00	Coupon Rate: 10.75% p.a. Coupon Payment frequency : Monthly and on Maturity Principal Payment frequency: Bullet Payment at the end of the tenor Tenor : 5 years and 7 months	N.A.
5000, 10.75% rated, listed, subordinated, unsecured, redeemable, taxable, transferable, non-convertible debentures of ₹ 1 lakhs each	50.00	-	Coupon Rate: 10.75% p.a. Coupon Payment frequency : Monthly and on Maturity Principal Payment frequency: Bullet Payment at the end of the tenor Tenor : 5 years and 7 months	N.A.
Total subordinated liabilities	310.00	260.00		



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NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued) AS AT 31 MARCH 2024

(₹ In Crores)

	As at 31 March 2024	As at 31 March 2023
17 Other financial liabilities		
Interest accrued but not due on borrowings	31.87	70.36
Dues to the assignees towards collections from assigned receivables	178.97	211.29
Advances received against loan agreements	2.10	1.62
Unpaid dividend on equity shares (Refer note below)	0.02	0.02
Dealer advances	7.12	5.13
Lease liability	2.99	1.14
Liabilities for expenses	8.13	1.43
Other payable	22.05	14.66
Total other financial liabilities	253.25	305.65

Note :

There are no amounts that are due and remain unpaid to Investor Education and Protection Fund as at the close of the year.

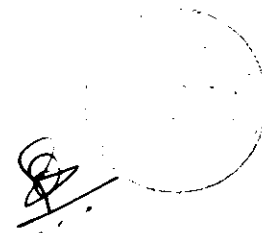
18 Provisions

Provision for employee benefits (Refer note 40)

Compensated absences	0.27	0.16
Provision for unspent CSR liability	9.82	9.32
Total provisions	10.09	9.48

19 Other non-financial liabilities

Statutory remittances	4.63	3.24
Financial guarantee liability	-	0.01
Income received in advance	1.81	1.01
Total other non-financial liabilities	6.44	4.26



MA S FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued) AS AT 31 MARCH 2024

(₹ In Crores)

	As at 31 March 2024	As at 31 March 2023
20 Equity share capital		
Authorized shares:		
200,000,000 Equity Shares of ₹ 10 each (As at 31 March 2023: 6,40,00,000 Equity Shares of ₹ 10 each)	200.00	64.00
- 0.01% Compulsorily Convertible Cumulative Preference Shares of ₹ 10 each (As at 31 March 2023: 2,20,00,000 0.01% Compulsorily Convertible Cumulative Preference Shares of ₹ 10 each)	-	22.00
- 13.31% Compulsorily Convertible Cumulative Preference Shares of ₹ 10 each (As at 31 March 2023: 2,20,00,000 13.31% Compulsorily Convertible Cumulative Preference Shares of ₹ 10 each)	-	22.00
- 9.75% Compulsorily Convertible Cumulative Preference Shares of ₹ 1,00,000 each (As at 31 March 2023: 400 9.75% Compulsorily Convertible Cumulative Preference Shares of ₹ 1,00,000 each)	-	4.00
	<u>200.00</u>	<u>112.00</u>
Issued, subscribed and fully paid-up shares:		
163,986,129 Equity Shares of ₹ 10 each fully paid-up (As at 31 March 2023: 5,46,62,043 Equity Shares of ₹ 10 each)	163.99	54.66
	<u>163.99</u>	<u>54.66</u>

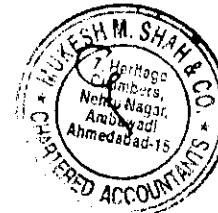
Note :

1. During the current year, pursuant to the approval of shareholders at the Extra Ordinary General Meeting held on February 09, 2024, the Authorized Share Capital of the Company comprising of Rs. 112,00,00,000/- (Rupees One Hundred and Twelve Crores Only) divided into 6,40,00,000 (Six Crores and Forty Lakh) Equity Shares of Rs.10 (Rupees Ten Only) each, 400 (Four Hundred) - 9.75% Compulsorily Convertible Cumulative Preference Shares of Rs.1,00,000 (Rupees One Lakh Only) each, 2,20,00,000 (Two Crore Twenty Lakh) 0.01% Compulsorily Convertible Cumulative Preference Shares of Rs.10 (Rupees Ten Only) each and 2,20,00,000 (Two Crore Twenty Lakh) - 13.31% Compulsorily Convertible Cumulative Preference Shares of Rs.10 (Rupees Ten Only) each was reclassified into Rs. 112,00,00,000/- (Rupees One Hundred and Twelve Crores Only) divided into 11,20,00,000 (Eleven Crores and Twenty Lakh) Equity Shares of Rs.10 (Rupees Ten Only) each.

2. During the current year, pursuant to the approval of shareholders at the Extra Ordinary General Meeting held on February 09, 2024, the Authorised share capital of the Company has been increased from Rs. 112,00,00,000/- (Rupees One Hundred and Twelve Crores Only) divided into 11,20,00,000 (Eleven Crores and Twenty Lakh) Equity Shares of Rs. 10 (Rupees Ten Only) each to Rs. 200,00,00,000/- (Rupees Two Hundred Crores Only) divided into 20,00,00,000 (Twenty Crores) Equity Shares of Rs.10 (Rupees Ten Only) each.

20.1 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

	As at 31 March 2024		As at 31 March 2023	
	No. of Shares	(₹ in Crores)	No. of Shares	(₹ in Crores)
Equity Shares				
Outstanding at the beginning of the year	54,662,043	54.66	54,662,043	54.66
Add: Bonus shares issued during the year	109,324,086	109.32	-	-
Outstanding at the end of the year	<u>163,986,129</u>	<u>163.99</u>	<u>54,662,043</u>	<u>54.66</u>



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20 Equity share capital (Continued)

20.2 Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March 2024		As at 31 March 2023	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares				
Shweta Kamlesh Gandhi	49,015,350	29.89%	16,338,450	29.89%
Mukesh C. Gandhi (Refer note below)	48,470,442	29.56%	16,158,814	29.56%
Kamlesh C. Gandhi	19,021,524	11.80%	6,340,508	11.80%
Vistra ITCL I Ltd Business Excellence Trust III India Business	12,133,737	7.40%	4,044,578	7.40%

Note: Mr. Mukesh C. Gandhi has passed away on 19 January 2021.

20.3 The Company has neither allotted any share pursuant to contracts without payment being received in cash nor has it bought back any shares during the preceding period of 5 financial years.

20.4 Terms / rights attached to equity shares

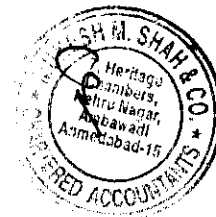
The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim dividend. In the event of liquidation of the Company, the equity shareholders will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

20.5 Details of shares held by promoters (including promoter group) of the Company:

Promoter and promoter group name	Shares held by promoters at 31 March 2024		Shares held by promoters at 31 March 2023		% Change during the current year (23-24) #
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Equity shares					
Shweta Kamlesh Gandhi	49,015,350	29.89%	16,338,450	29.89%	200.00%
Mukesh C. Gandhi (Refer note below)	48,470,442	29.56%	16,158,814	29.56%	200.00%
Kamlesh C. Gandhi	19,021,524	11.80%	6,340,508	11.80%	200.00%
Prarthana Marketing Private Limited	3,952,671	2.41%	1,317,557	2.41%	200.00%
Anamaya Capital Lip	299,982	0.18%	99,994	0.18%	200.00%
Dhvanil K. Gandhi	105,831	0.06%	35,277	0.06%	200.00%
Dhriti K. Gandhi	38,182	0.02%	12,054	0.02%	200.00%

Note: Mr. Mukesh C. Gandhi has passed away on 19 January 2021.

During the current year, pursuant to the approval of shareholders at the Extra Ordinary General Meeting held on February 09, 2024, the Company has issued 10,93,24,086 (Ten Crore Ninety Three Lakh Twenty Four Thousand and Eighty Six) fully paid up Equity Shares of Rs. 10/- each as Bonus Shares in the ratio of 2:1 (2 Bonus shares for every 1 equity shares held on February 22, 2024) by utilizing Securities Premium Account. These Equity shares have been allotted on February 24, 2024.



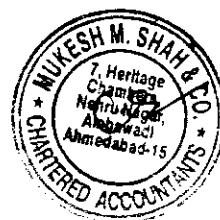
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MAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
AS AT 31 MARCH 2024

(₹ In Crores)

	As at 31 March 2024	As at 31 March 2023
21 Other equity (Refer note 21.1)		
Reserve u/s. 45-IC of RBI Act, 1934		
Outstanding at the beginning of the year	252.10	211.91
Additions during the year	49.55	40.19
Outstanding at the end of the year	<u>301.65</u>	<u>252.10</u>
Securities premium		
Outstanding at the beginning of the year	426.87	426.87
Additions during the year	-	-
Deductions during the year (On issue of bonus shares)	(109.32)	-
Outstanding at the end of the year	<u>317.55</u>	<u>426.87</u>
Retained earnings		
Outstanding at the beginning of the year	674.61	533.21
Profit for the year	247.75	200.96
Item of other comprehensive income recognised directly in retained earnings		
On defined benefit plan	(0.39)	0.04
	<u>921.97</u>	<u>734.21</u>
Appropriations:		
Transfer to reserve u/s. 45-IC of RBI Act, 1934	(49.55)	(40.19)
Final dividend on equity shares (Refer note 21.2)	(10.11)	(9.57)
Interim dividend on equity shares (Refer note 21.2)	(16.40)	(9.84)
Total appropriations	<u>(76.06)</u>	<u>(59.60)</u>
Retained earnings	<u>845.91</u>	<u>674.61</u>
Other comprehensive income		
Outstanding at the beginning of the year	97.49	113.94
Loans and advances fair valued through other comprehensive Income	21.57	(26.05)
Impairment on loans and advances through OCI	26.23	3.04
Income tax relating to items that will be reclassified to profit or loss	(5.43)	6.56
Other comprehensive income for the year, net of tax	<u>139.86</u>	<u>97.49</u>
Total other equity	<u>1,604.97</u>	<u>1,451.07</u>



HAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued) AS AT 31 MARCH 2024

(₹ In Crores)

21 Other equity (Continued)

21.1 Nature and purpose of reserve

1 Reserve u/s. 45-IC of the Reserve Bank of India Act, 1934 (the "RBI Act, 1934")

Reserve u/s. 45-IC of RBI Act, 1934 is created in accordance with section 45 IC(1) of the RBI Act, 1934. As per Section 45 IC(2) of the RBI Act, 1934, no appropriation of any sum from this reserve fund shall be made by the NBFC except for the purpose as may be specified by RBI.

2 Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes in accordance with the provisions of section 52 of the Act.

3 Retained earnings

Retained earnings is the accumulated available profit of the Company carried forward from earlier years. These reserve are free reserves which can be utilised for any purpose as may be required.

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:

- actuarial gains and losses;
- return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); and
- any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset).

4 Other comprehensive income

On equity investments

The Company has elected to recognise changes in the fair value of investments in equity securities (other than investment in subsidiary) in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

On loans

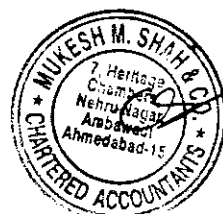
The Company has elected to recognise changes in the fair value of loans and advances in other comprehensive income. These changes are accumulated within the FVOCI - loans and advances reserve within equity. The Company transfers amounts from this reserve to the statement of profit and loss when the loans and advances are sold. Further, impairment loss allowances on the loans are recognised in OCI.

21.2 Equity dividend paid and proposed

	31 March 2024	31 March 2023
Declared and paid during the year (Pre Bonus)		
Dividends on equity shares:		
Final dividend for 31 March 2023: ₹ 1.85 per share (31 March 2022: ₹ 1.75 per share)	10.11	9.57
Interim dividend for 31 March 2024: ₹ 3 per share (31 March 2023 : ₹ 1.80 per share)	16.40	9.84
Total dividends paid	26.51	19.41

	31 March 2024	31 March 2023
Proposed for approval at Annual General Meeting (not recognised as a liability)		
Dividend on equity shares:		
Final dividend for 31 March 2024: ₹ 0.51 per share (31 March 2023: ₹ 1.85 per share)	8.36	10.11

Note : During the F.Y 2023-24 Company has paid the interim dividend of ₹ 3 per share - pre bonus - (₹ 1 ex-bonus). Additionally, the Board has proposed the final dividend @ 5.10% i.e. ₹ 0.51 per share subject to the approval of the Members in the ensuing Annual General Meeting.



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MA S FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

(₹ In Crores)

22 Interest Income

	Year ended 31 March 2024				Year ended 31 March 2023			
	On Financial assets measured at FVOCI	On Financial assets measured at Amortised Cost	On Financial Assets classified at fair value through profit or loss	Total	On Financial assets measured at FVOCI	On Financial assets measured at Amortised Cost	On Financial Assets classified at fair value through profit or loss	Total
Interest on loans	872.93	11.92	-	884.85	682.01	5.53	-	687.54
Interest income from investments	-	76.80	-	76.80	-	50.37	1.35	51.72
Interest on deposits with banks	-	55.08	-	55.08	-	37.84	-	37.84
Other interest income	5.55	-	-	5.55	3.69	18.54	-	20.23
Total	878.48	143.80	-	1,022.28	685.70	110.28	1.35	797.33



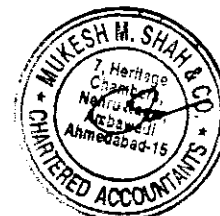
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MAAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2024

(₹ In Crores)

	Year ended 31 March 2024	Year ended 31 March 2023
23 Net gain on fair value changes		
Net gain on financial instruments at fair value through profit or loss - investments	12.57	21.49
Fair value changes:		
- Realised	10.09	18.75
- Unrealised	2.48	2.74
Total	<u>12.57</u>	<u>21.49</u>
24 Other income		
Rental income	0.10	0.10
Net gain/(loss) on derecognition of property, plant and equipment	-	0.10
Dividend income	1.26	1.12
Net gain on sale of investments measured at amortized cost	4.84	1.35
Gain on derecognition of leased asset	0.02	-
Gain on foreign currency transactions	0.06	-
Income from non-financing activity	1.14	0.33
Total	<u>7.42</u>	<u>3.00</u>
25 Finance cost (On financial liabilities measured at amortised cost)		
Interest on debt securities	52.29	51.76
Interest on borrowings	502.38	348.21
Interest on subordinated liabilities	29.55	14.70
Other interest expense	0.01	35.84
Other borrowing cost	29.74	24.22
Lease liability interest obligation	0.19	0.09
Total	<u>614.16</u>	<u>474.82</u>
26 Impairment on financial assets		
Loans		
- Expected credit loss (On financial instruments measured at FVOCI)	26.23	3.04
- Expected credit loss (On financial instruments measured at amortised cost)	(0.25)	0.22
- Write off (net of recoveries)	48.13	42.65
- Loss on repossessed assets	15.50	7.40
Investments		
- Expected credit loss (On financial instruments measured at amortised cost)	(0.06)	(0.31)
Total	<u>89.55</u>	<u>53.00</u>



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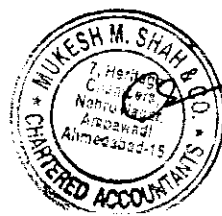
MASS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2024

(₹ In Crores)

	Year ended 31 March 2024	Year ended 31 March 2023
27 Employee benefits expense		
Salaries and wages	81.83	57.74
Contribution to provident fund and other funds (Refer note 40(a))	2.46	1.87
Gratuity expense (Refer note 40(b))	0.65	0.66
Staff welfare expenses	2.11	2.22
Total	87.05	62.49
28 Depreciation, amortization and impairment		
Depreciation on property, plant and equipment	2.72	1.90
Amortisation of intangible assets	0.52	0.23
Depreciation on Right-of-use asset	0.57	0.27
Total	3.81	2.40
29 Other expenses		
Rent	3.97	3.25
Rates and taxes	0.22	0.19
Stationery and printing	1.28	0.90
Telephone	0.75	0.60
Electricity	1.35	0.97
Postage and courier	1.35	0.97
Insurance	1.15	0.89
Conveyance	1.75	1.25
Travelling	3.68	2.90
Repairs and maintenance :		
Building	0.31	0.58
Others	0.99	1.15
Professional fees	9.35	6.50
Payment to auditors (Refer note below)	0.57	0.46
Directors' sitting fees	0.37	0.10
Legal expenses	2.19	1.86
Bank charges	2.85	1.46
Advertisement expenses	1.63	0.99
Sales promotion expenses	0.35	0.44
Recovery contract charges	0.06	0.11
Corporate social responsibility expenditure (Refer note 33)	4.46	4.26
Credit guarantee fees	6.76	2.13
Miscellaneous expenses	4.39	2.48
Total	49.78	34.44
Note: Payment to auditors		
As auditor:		
Statutory audit	0.24	0.20
Limited review of quarterly results	0.31	0.26
Other services	0.03	*
	0.58	0.46

* Represents amount less than ₹ 50,000



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MASS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2024

(₹ In Crores)

30 Tax expenses

The components of income tax expense for the years ended 31 March 2024 and 31 March 2023 are:

	Year ended 31 March 2024	Year ended 31 March 2023
Current tax	80.89	65.10
Short / (Excess) provision for tax relating to prior years	(0.17)	(2.47)
Deferred tax	2.95	1.11
Total tax charge	83.67	63.74
Current tax	80.72	62.63
Deferred tax	2.95	1.11

30.1 Reconciliation of the total tax charge

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the years ended 31 March 2024 and 31 March 2023 is, as follows:

	Year ended 31 March 2024	Year ended 31 March 2023
Accounting profit before tax	331.42	264.70
Applicable tax rate	25.17%	25.17%
Computed tax expense	83.42	66.62
Tax effect of :		
Exempted income	(0.32)	(0.30)
Non deductible items	1.12	1.24
Short / (Excess) provision for tax relating to prior years	(0.17)	(2.47)
Others	(0.38)	(1.35)
Tax expenses recognised in the statement of profit and loss	83.67	63.74
Effective tax rate	25.25%	24.08%

30.2 Deferred tax

	As at 31 March 2024	As at 31 March 2023
Deferred tax asset / liability (net)		
The movement on the deferred tax account is as follows:		
At the start of the year DTA / (DTL) (net)	18.22	12.79
Credit / (charge) for loans and advances through OCI	(5.43)	6.56
Credit / (charge) for remeasurement of the defined benefit liabilities	0.13	(0.02)
Credit / (charge) to the statement of profit and loss	(2.95)	(1.11)
At the end of year DTA / (DTL) (net)	9.97	18.22



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MAAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2024

(₹ In Crores)

30 Tax expenses (Continued)

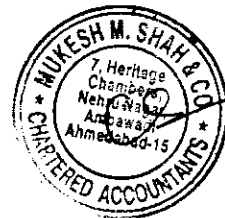
The following table shows deferred tax recorded in the balance sheet and changes recorded in the income tax expense:

	As at 31 March 2023	Statement of profit and loss	OCI	As at 31 March 2024
Component of deferred tax asset / (liability)				
Deferred tax asset / (liability) in relation to:				
Difference between written down value of fixed assets as per books of accounts and income tax	(0.51)	(0.12)	-	(0.63)
Deferred tax on fair value of investments	(0.02)	(0.62)	-	(0.64)
Impact of fair value of assets	5.50	0.00	(5.43)	0.07
Income taxable on realised basis	(8.68)	(3.95)	-	(12.63)
Deferred tax on prepaid finance charges	(4.09)	(5.18)	-	(9.27)
Impairment on financial assets	26.10	6.52	-	32.62
Recognition of lease liability and right to use asset	0.02	0.02	-	0.04
Expenses allowable on payment basis	(0.10)	0.38	0.13	0.41
Total	18.22	(2.95)	(5.30)	9.97

	As at 31 March 2022	Statement of profit and loss	OCI	As at 31 March 2023
Component of deferred tax asset / (liability)				
Deferred tax asset / (liability) in relation to:				
Difference between written down value of fixed assets as per books of accounts and income tax	(0.44)	(0.07)	-	(0.51)
Deferred tax on fair value of investments	(0.02)	-	-	(0.02)
Impact of fair value of assets	(1.06)	-	6.56	5.50
Income taxable on realised basis	(10.82)	2.14	-	(8.68)
Deferred tax on prepaid finance charges	(0.29)	(3.80)	-	(4.09)
Impairment on financial assets	25.35	0.75	-	26.10
Recognition of lease liability and right to use asset	0.01	0.01	-	0.02
Expenses allowable on payment basis	0.06	(0.14)	(0.02)	(0.10)
Total	12.79	(1.11)	6.54	18.22

30.3	Current tax liabilities	As at 31 March 2024	As at 31 March 2023
	Provision for tax [net of advance tax of ₹ 76.59 crores (31 March 2023: ₹ 63.24 crores)]	4.29	1.86

30.4	Income tax assets	As at 31 March 2024	As at 31 March 2023
	Income tax assets [net of provision for tax of ₹ 2.52 crores (31 March 2023: ₹ 2.52 crores)]	2.52	2.52



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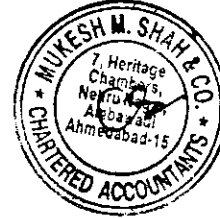
MA\$ FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

(₹ In Crores)

	Year ended 31 March 2024	Year ended 31 March 2023
31 Earnings per share		
(A) Basic earnings per share		
Net profit for the year attributable to equity shareholders (basic)	247.75	200.96
Weighted average number of equity shares of ₹ 10 each (Refer note below)	163,986,129	163,986,129
Basic earnings per share of face value of ₹ 10 each (in ₹)	15.11	12.25
(B) Diluted earnings per share		
Net profit for the year attributable to equity shareholders (diluted)	247.75	200.96
Weighted average number of equity shares of ₹ 10 each (Refer note below)	163,986,129	163,986,129
Diluted earnings per share of face value of ₹ 10 each (in ₹)	15.11	12.25

Note : The basic and diluted earnings per share have been computed for previous year on the basis of the adjusted number of equity shares in accordance with bonus issue of shares.



MAAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2024

(₹ In Crores)

32 Contingent liabilities and commitments (to the extent not provided for)

	As at 31 March 2024	As at 31 March 2023
(A) Contingent liabilities		
i) In respect of disputed income-tax matters : (Refer note i)	0.12	0.12
(ii) Guarantees given on behalf of subsidiary company: (Refer note ii)		
To National Housing Bank ("NHB")		
Amount of guarantees ₹ 5 crores (31 March 2023: ₹ 5 crores)		
Amount of loan outstanding	0.46	0.79
(B) Commitments		
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for:		
Property, plant & equipment and Capital work in progress	0.12	1.39
(ii) Loan commitments for sanctioned but not disbursed amount	-	-

Notes:

- After adjusting the amount of refund claimed by the company amounting Rs. 0.33 Crore.
- Guarantees have been given by the Company to NHB on behalf of the subsidiary company for the loan taken and accordingly, the same has been shown as contingent liability.

33 Corporate social responsibility ("CSR") expenses:

The average profit before tax of the Company for the last three financial years was ₹ 223.09 crores, basis which the Company was required to spend ₹ 4.46 crores towards CSR activities for the current financial year (31 March 2023: ₹ 4.26 crores).

a) Amount spent during the year on:

Particulars	31 March 2024			31 March 2023		
	Amount Spent	Amount Unpaid/ provision	Total	Amount Spent	Amount Unpaid/ provision	Total
Construction / acquisition of any asset	-	-	-	-	-	-
On purpose other than (i) above	0.37	4.09	4.46	0.28	3.98	4.26

b) The Company has not made any transaction with related parties in relation to CSR expenditure as per Ind AS 24.

c) In case of Section 135(6): Details of on-going projects

F.Y.	Opening balance		Amount required to be spent during the year	Amount spent		Closing Balance	
	With Company	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
2023-24	-	9.32	4.46	0.37	3.60	4.09	5.72
2022-23	-	6.91	4.26	0.28	1.57	3.98	5.34
2021-22	-	3.84	4.41	0.42	0.92	3.99	2.92
2020-21	Nil	N.A.	4.18	0.34	-	3.84	-

Note: Unspent CSR amount of ₹ 3.98 crores for FY 2022-23 was deposited in unspent CSR bank account on 27 April 2023. Unspent amount of ₹ 4.09 crores available with the Company is transferred to an unspent CSR account on 29 April 2024.

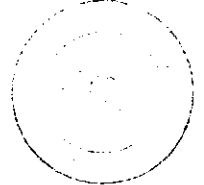
(d) Reason for shortfall: The Company has on-going projects and it is spending the said amount as per pre-approved on-going projects. For more details, refer annexure of Director's report on CSR.

(e) Nature of CSR activities: Promoting education, eradicating hunger, poverty & malnutrition, promoting health care and such other activities. For more details, refer annexure of Director's report on CSR.

34 Segment reporting:

Operating segment are components of the Company whose operating results are regularly reviewed by the Chief Operating Decision Maker ("CODM") to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

The Company is engaged primarily on the business of "Financing" only, taking into account the risks and returns, the organization structure and the internal reporting systems. All the operations of the Company are in India. All non-current assets of the Company are located in India. Accordingly, there are no separate reportable segments as per Ind AS 108 – "Operating segments".



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MAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2024

(₹ In Crores)

35 Related party disclosures:

(a) Related party disclosures as required by Ind AS 24 - Related Party Disclosures.

List of related parties and relationships:

Sr. No.	Nature of relationship	
1	Subsidiary	MAS Rural Housing & Mortgage Finance Limited MASFIN Insurance Broking Private Limited
2	Key management personnel ("KMP") (where there are transactions)	Mr. Kamlesh C. Gandhi (Chairman and managing director) Mrs. Darshana S. Pandya (Director and chief executive officer) Mr. Balabhaskaran Nar (Independent director) (retired w.e.f 31 March 2024) Mr. Umesh Shah (Independent director) Mr. Chetanbhai Shah (independent director) (retired w.e.f 31 March 2024) Mr. Narayanan Sadanandan (appointed w.e.f 21 June 2023) Mrs. Daksha Shah (Independent director)
3	Other related parties (where there are transactions)	Prarthna Marketing Private Limited Anamaya Capital LLP Mr. Kamlesh C. Gandhi (As Executor of will of Late Mr. Mukesh C. Gandhi, relative of KMP) Mrs. Shweta K. Gandhi (relative of KMP) Mr. Dhvani K. Gandhi (relative of KMP) Mr. Saumil D. Pandya (relative of KMP) Ms. Dhnti K. Gandhi (relative of KMP) Umesh Rajanikant Shah HUF (relative of KMP) Pauravi Umesh Shah (relative of KMP)

Transactions with related parties are as follows:

	Year ended 31 March 2024			Total
	Subsidiary	Key management personnel	Other related parties	
Rent income	0.10	-	-	0.10
Net recovery charges received	0.01	-	-	0.01
Expenditure reimbursed	1.04	-	-	1.04
Remittances of collection received on behalf of	-	-	-	-
Cross Charges Payment for professional services	0.13	-	-	0.13
Remuneration (including bonus) (Net of Cross Charges)	-	7.19	1.22	8.41
Dividend received	1.26	-	-	1.26
Dividend paid	-	3.09	16.48	19.57
Investment	15.00	-	-	15.00
Sitting fees	-	0.34	-	0.34

	Year ended 31 March 2023			Total
	Subsidiary	Key management personnel	Other related parties	
Rent income	0.10	-	-	0.10
Net recovery charges received	0.02	-	-	0.02
Expenditure reimbursed	-	-	-	-
Remittances of collection received on behalf of	0.10	-	-	0.10
Cross Charges Payment for professional services	0.13	-	-	0.13
Remuneration (including bonus) (Net of Cross Charges)	-	5.74	0.95	6.69
Dividend received	1.12	-	-	1.12
Dividend paid	-	2.26	12.06	14.32
Investment	0.35	-	-	0.35
Sitting fees	-	0.09	-	0.09

* Represents amount less than ₹ 50,000

Balances outstanding from related parties are as follows:

	As at 31 March 2024			Total
	Subsidiary	Key management personnel	Other related parties	
Bonus payable	-	0.39	0.03	0.42
Investment	61.55	-	-	61.55
Guarantees outstanding	0.46	-	-	0.46



FLS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2024

(₹ In Crores)

35 Related party disclosures: (Continued)

(a) Related party disclosures as required by Ind AS 24 - Related Party Disclosures. (Continued)

	As at 31 March 2023			Total
	Subsidiary	Key management personnel	Other related parties	
Bonus payable	-	0.31	0.03	0.34
Investment	46.55	-	-	46.55
Guarantees outstanding	0.79	-	-	0.79

Financial guarantee commission income amounts to less than ₹ 50,000 during the year (31 March 2023: ₹ 0.01 Crore) on account of fair valuation of corporate financial guarantee given to bank on behalf of subsidiary.

All transactions with these related parties are priced on an arm's length basis. None of the balances are secured.

Key managerial personnel who are under the employment of the Company are entitled to post employment benefits and other employee benefits recognised as per Ind AS 19 - Employee Benefits in the financial statements.

Compensation to key management personnel are as follows:

	Year ended 31 March 2024	Year ended 31 March 2023
Short-term employee benefits	7.19	5.74
Post-employment benefits	0.02	0.02
Other long term employment benefits	0.01	(0.01)
	<u>7.22</u>	<u>5.75</u>

The remuneration of key management personnel are determined by the nomination and remuneration committee having regard to the performance of individuals and market trends.

36 Offsetting

Following table represents the recognised financial assets that are offset, or subject to enforceable master netting arrangements and other similar arrangements but not offset, as at 31 March 2024 and 31 March 2023. The column 'net amount' shows the impact of the Company's balance sheet if all the set-off rights were exercised.

	Effect of offsetting on the balance sheet			Related amount not offset	
	Gross amounts	Gross amount offset in balance sheet (refer note 1)	Net amount presented in balance sheet	Financial instrument collateral (refer note 2)	Net amount
31 March 2024					
Loans and advances	7,277.40	12.57	7,264.83	-	7,264.83
31 March 2023					
Loans and advances	5,919.64	9.48	5,910.16	-	5,910.16

Note:

- ₹ 12.57 crores (31 March 2023: ₹ 9.48 crores) represents advances received against loan agreements.
- Represents security deposits received from borrowers.

37 Events after the reporting period

Ind AS 10 'Events after the Reporting Period', requires an entity to evaluate information available after the balance sheet date to determine if such information constitutes an adjusting event, which would require an adjustment to the financial statements, or a non-adjusting event, which would only require disclosure. There have been no events after the reporting date that require disclosure in these financial statements.



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MAAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

(₹ in Crores)

38 Revenue from contracts with customers

Set out below is the disaggregation of the Company's revenue from contracts with customers and reconciliation to the statement of profit and loss:

Type of income	Year ended	Year ended
	31 March 2024	31 March 2023
Fees and commission income	65.33	49.98
Total revenue from contracts with customers	65.33	49.98
Geographical markets		
India	65.33	49.98
Outside India	-	-
Total revenue from contracts with customers	65.33	49.98
Timing of revenue recognition		
Services transferred at a point in time	65.33	49.98
Services transferred over time	-	-
Total revenue from contracts with customers	65.33	49.98



MA\$ FINANCIAL SERVICES LIMITED

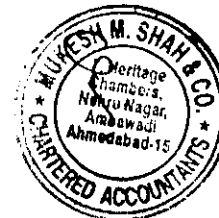
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2024

(₹ In Crores)

39 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

	As at 31 March 2024			As at 31 March 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	178.02	-	178.02	237.86	-	237.86
Bank balance other than cash and cash equivalents	640.84	23.43	664.27	57.78	475.99	533.77
Trade receivables	6.52	-	6.52	4.27	-	4.27
Loans	4,387.81	2,877.02	7,264.83	3,574.16	2,336.00	5,910.16
Investments	509.21	278.50	787.71	478.41	347.71	826.12
Other financial assets	54.59	21.21	75.80	46.38	13.86	60.24
Non-financial assets						
Income tax assets (net)	-	2.52	2.52	-	2.52	2.52
Deferred tax assets (net)	-	9.97	9.97	-	18.22	18.22
Property, plant and equipment	-	18.63	18.63	-	13.95	13.95
Capital work-in-progress	-	69.80	69.80	-	57.66	57.66
Right-of-use asset	0.78	2.04	2.82	0.31	0.75	1.06
Intangible assets under development	-	0.24	0.24	-	0.33	0.33
Other intangible assets	-	1.01	1.01	-	1.03	1.03
Other non-financial assets	27.06	0.04	27.10	10.79	-	10.79
Total assets	5,804.83	3,304.41	9,109.24	4,409.96	3,268.02	7,677.98



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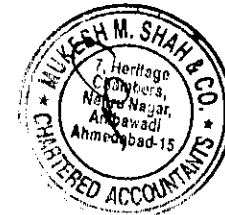
MAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2024

(₹ In Crores)

39 Maturity analysis of assets and liabilities: (Continued)

	As at 31 March 2024			As at 31 March 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
LIABILITIES						
Financial liabilities						
Trade payables	15.74	-	15.74	11.64	-	11.64
Other payables	1.14	-	1.14	1.84	-	1.84
Debt securities	105.71	521.15	626.86	522.26	105.00	627.26
Borrowings (other than debt securities)	3,065.32	3,055.04	6,120.36	2,624.76	2,332.80	4,957.56
Subordinated liabilities	-	302.11	302.11	-	252.70	252.70
Other financial liabilities	249.11	4.14	253.25	301.63	4.02	305.65
Non-financial liabilities						
Current tax liabilities (net)	4.29	-	4.29	1.86	-	1.86
Provisions	9.88	0.21	10.09	9.36	0.12	9.48
Other non-financial liabilities	6.44	-	6.44	4.26	-	4.26
Total liability	3,457.62	3,882.66	7,340.28	3,477.60	2,694.65	6,172.25
Net	2,347.21	(578.25)	1,768.96	932.36	573.37	1,505.73



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INDIAN FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

(₹ In Crores)

40 Employee benefit plan

Disclosure in respect of employee benefits under Ind AS 19 - Employee Benefits are as under:

(a) Defined contribution plan

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans. The Company's contribution to provident fund aggregating ₹ 2.17 crores (31 March 2023: ₹ 1.61 crores) and employee state insurance scheme aggregating ₹ 0.11 crores (31 March 2023: ₹ 0.12 crores) has been recognised in the statement of profit and loss under the head employee benefits expense.

(b) Defined benefit plan:

Gratuity

Financial assets not measured at fair value

The Company operates a defined benefit plan (the "gratuity plan") covering eligible employees. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age/ resignation date.

The defined benefit plans expose the Company to risks such as actuarial risk, investment risk, liquidity risk, market risk, legislative risk. These are discussed as follows:

Actuarial risk: It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse salary growth experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

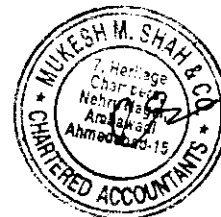
Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

Investment risk: For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

Liquidity risk: Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the Company, there can be strain on the cash flows.

Market risk: Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in defined benefit obligation of the plan benefits and vice versa. This assumption depends on the yields on the government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

Legislative risk: Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act, 1972, thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the defined benefit obligation and the same will have to be recognized immediately in the year when any such amendment is effective.



MAAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2024

(₹ In Crores)

40 Employee benefit plan (Continued)

(b) Defined benefit plans: (Continued)

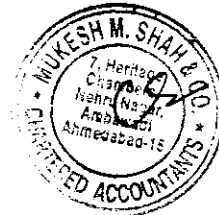
The status of gratuity plan as required under Ind AS 19 is as under:

	(₹ In Crores)	
	As at 31 March 2024	As at 31 March 2023
I. Reconciliation of opening and closing balances of defined benefit obligation		
Present value of defined benefit obligations at the beginning of the year	3.94	3.42
Current service cost	0.71	0.68
Interest cost	0.26	0.23
Benefits paid	(0.13)	(0.20)
Re-measurement (or Actuarial) (gain) / loss arising from:		
Change in demographic assumptions	(0.10)	(0.14)
Change in financial assumptions	0.03	(0.06)
Experience adjustments	0.65	0.01
Present value of defined benefit obligations at the end of the year	5.36	3.94
II. Reconciliation of opening and closing balances of the fair value of plan assets		
Fair value of plan assets at the beginning of the year	4.48	3.34
Interest income	0.33	0.25
Return on plan assets excluding amounts included in interest income	0.06	(0.13)
Contributions by the Company	1.85	1.22
Benefits paid	(0.13)	(0.20)
Fair value of plan assets at the end of the year	6.69	4.48
III. Reconciliation of the present value of defined benefit obligation and fair value of plan assets		
Present value of defined benefit obligations at the end of the year	5.36	3.94
Fair value of plan assets at the end of the year	6.69	4.48
Net asset / (liability) recognized in the balance sheet as at the end of the year	1.23	0.54

iv. Composition of plan assets

100% of plan assets are administered by LIC.

	Year ended 31 March 2024	Year ended 31 March 2023
v. Expense recognised during the Year		
Current service cost	0.71	0.68
Interest cost	(0.06)	(0.02)
Expenses recognised in the statement of profit and loss	0.65	0.66
vi. Other comprehensive income		
Components of actuarial gain/losses on obligations:		
Due to change in financial assumptions	0.03	(0.06)
Due to change in demographic assumption	(0.10)	(0.14)
Due to experience adjustments	0.65	0.01
Return on plan assets excluding amounts included in interest income	(0.06)	0.13
Components of defined benefit costs recognised in other comprehensive income	0.62	(0.06)



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MAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

(₹ In Crores)

40 Employee benefit plan (Continued)

(b) Defined benefit plans: (Continued)

	As at 31 March 2024	As at 31 March 2023
vii. Principal actuarial assumptions		
Discount rate (per annum)	7.15%	7.30%
Rate of return on plan assets (p.a.)	7.15%	7.30%
Annual increase in salary cost	8.00%	8.00%
Withdrawal rates per annum		
25 and below	35.00%	30.00%
26 to 35	30.00%	25.00%
36 to 45	25.00%	20.00%
46 to 55	20.00%	15.00%
56 and above	20.00%	15.00%

The discount rate is based on the prevailing market yields of Government of India's bond as at the balance sheet date for the estimated term of the obligations.

viii. Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and withdrawal rates. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

	Year ended 31 March 2024	Year ended 31 March 2023
Defined benefit obligation (Base)	8.36	3.94

	Year ended 31 March 2024		Year ended 31 March 2023	
	Decrease	Increase	Decrease	Increase
Discount rate (- / + 0.5%) (% change compared to base due to sensitivity)	5.46 1.89%	5.26 -1.82%	4.03 2.21%	3.85 -2.41%
Salary growth rate (- / + 0.5%) (% change compared to base due to sensitivity)	5.27 -1.60%	5.45 1.62%	3.86 -2.11%	4.01 1.86%
Withdrawal rate (W.R.) (W.R. x 90% / W.R. x 110%) (% change compared to base due to sensitivity)	5.42 1.11%	5.30 -1.03%	3.96 0.51%	3.91 -0.78%

ix. Asset liability matching strategies

The Company contributes to the insurance fund based on estimated liability of next financial year end. The projected liability statements is obtained from the actuarial valuer.



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MASS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2024

(₹ In Crores)

40 Employee benefit plan (Continued)

(b) Defined benefit plans: (Continued)

x. Effect of plan on the Company's future cash flows

a) Funding arrangements and funding policy

The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

b) Maturity profile of defined benefit obligation

The average outstanding term of the obligations (years) as at 31st March 2024 is 4.10 years.(31st March 2023 : 5.11 years)

Expected cash flows over the next (valued on undiscounted basis):	Cash flows (₹) as at	
	31-Mar-24	31-Mar-23
1st Following Year	1.19	0.71
2nd Following year	0.98	0.81
3rd Following Year	0.82	0.56
4th Following Year	0.70	0.49
5th Following Year	0.69	0.44
Sum of years 6 to 10	1.95	1.71

The future accrual is not considered in arriving at the above cash-flows.

The expected contribution for the next year is ₹ 0.90 crores.

(c) Other long term employee benefits

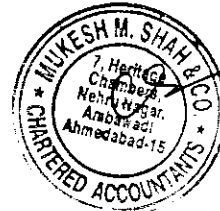
	As at	As at
	31 March 2024	31 March 2023
Discount Rate	7.15%	7.30%
Salary Growth Rate	8.00%	8.00%
Mortality Rates base	Indian Assured Lives mortality (2012-14)	Indian Assured Lives mortality (2012-14)

The Company has not funded its compensated absences liability and the same continues to remain as unfunded as at March 31, 2023.

The liability for compensated absences is ₹ 0.27 crores (31 March 2023: ₹ 0.16 crores).

Code on Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which subsumes the provident fund Act and the gratuity Act and rules there under. The Ministry of Labour and Employment has also released draft rules thereunder on 13 November 2020 and has invited suggestions from stakeholders which are under active consideration by the Ministry of Labour and Employment. The Company will evaluate the rules, assess the impact, if any, and account for the same once the rules are notified and become effective.



AIAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

(₹ In Crores)

41 Financial instrument and fair value measurement

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.

This note describes the fair value measurement of both financial and non-financial instruments.

A. Measurement of fair values

i) Financial instruments - fair value

The fair value of financial instruments as referred to in note (B) below have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurement).

The categories used are as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments

Level 2: The fair value of financial instruments that are not traded in active market is determined using valuation technique which maximizes the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value on instrument are observable, the instrument is included in level 2; and

Level 3: If one or more of significant input is not based on observable market data, the instrument is included in level 3.

ii) Transfers between levels 1 and 2

There has been no transfer in between level 1 and level 2.

iii) Valuation techniques

Loans

The Company has computed fair value of the loans and advances through OCI considering its business model. These have been fair valued using the base of the interest rate of loan disbursed in the last month of the year end which is an unobservable input and therefore these has been considered to be fair valued using level 3 inputs.

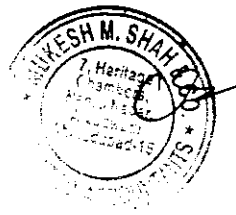
Investments measured at FVTPL

Fair values of market linked debentures and mutual funds have been determined under level 1 using quoted market prices(unadjusted) of the underlying instruments. Fair value of investment in alternate investment funds have been determined under level 2 using observable input. For fair value of investment in OCPS of subsidiary, the Company has used incremental borrowing rate and applied discounted cash flow model and accordingly measured under level 3.

B. Accounting classifications and fair values

The carrying amount and fair value of financial instruments including their levels in the fair value hierarchy presented below:

As at 31 March 2024	Carrying amount			Fair value			Total
	Amortised cost	FVOCI	FVTPL	Level 1	Level 2	Level 3	
Financial assets measured at fair value							
Loans measured at FVOCI	-	7,144.04	-	-	-	7,144.04	7,144.04
Investments measured at FVTPL	-	-	59.45	6.14	53.31	-	59.45
Derivative financial instruments	-	-	1.91	1.91	-	-	1.91
	-	7,144.04	61.36				
Financial assets not measured at fair value¹							
Cash and cash equivalents	178.02	-	-	178.02	-	-	178.02
Bank balance other than cash and cash equivalents	664.27	-	-	664.27	-	-	664.27
Trade receivables	6.52	-	-	-	-	6.52	6.52
Loans measured at amortised cost	120.79	-	-	-	-	121.07	121.07
Investment measured at amortised cost	666.71	-	-	-	-	666.89	666.89
Other financial assets	73.99	-	-	-	-	73.79	73.79
	1,710.20	-	-				
Financial liabilities not measured at fair value¹							
Trade payables	15.74	-	-	-	-	15.74	15.74
Other payables	1.14	-	-	-	-	1.14	1.14
Debt securities	626.86	-	-	-	-	643.84	643.84
Borrowings (other than debt securities)	6,120.36	-	-	-	-	6,147.95	6,147.95
Subordinated liabilities	302.11	-	-	-	-	310.00	310.00
Other financial liabilities	253.25	-	-	-	-	253.25	253.25
	7,319.46	-	-				



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AFS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

(R In Crores)

41 Financial Instrument and fair value measurement (Continued)

B. Accounting classifications and fair values (Continued)

As at 31 March 2023	Carrying amount			Fair value			Total
	Amortised cost	FVOCI	FVTPL	Level 1	Level 2	Level 3	
Financial assets measured at fair value							
Loans measured at FVOCI	-	5,828.31	-	-	-	5,828.31	5,828.31
Investments measured at FVTPL	-	-	220.43	181.46	38.97	-	220.43
		<u>5,828.31</u>	<u>220.43</u>				
Financial assets not measured at fair value¹							
Cash and cash equivalents	237.86	-	-	237.86	-	-	237.86
Bank balance other than cash and cash equivalents	533.77	-	-	533.77	-	-	533.77
Trade receivables	4.27	-	-	-	-	4.27	4.27
Loans measured at amortised cost	81.85	-	-	-	-	82.38	82.38
Investment measured at amortised cost	559.14	-	-	-	-	559.38	559.38
Other financial assets	60.24	-	-	-	-	60.19	60.19
	<u>1,477.13</u>	-	-				
Financial liabilities not measured at fair value¹							
Trade payables	11.64	-	-	-	-	11.64	11.64
Other payables	1.84	-	-	-	-	1.84	1.84
Debt securities	627.26	-	-	-	-	634.96	634.96
Borrowings (other than debt securities)	4,957.56	-	-	-	-	4,983.40	4,983.40
Subordinated liabilities	252.70	-	-	-	-	260.00	260.00
Other financial liabilities	305.65	-	-	-	-	305.65	305.65
	<u>6,156.65</u>	-	-				

¹ The Company has determined that the carrying values of cash and cash equivalents, bank balances (with the residual maturity up to 12 months), trade payables, short term debts and borrowings, cash credit and other current liabilities are a reasonable approximation of their fair value as these are short term in nature.

Reconciliation of level 3 fair value measurement is as follows:

	Year ended 31 March 2024	Year ended 31 March 2023
Loans #		
Balance at the beginning of the year	5,869.68	4,556.16
Addition during the year	5,708.31	4,646.20
Amount derecognised / repaid during the year	(4,341.09)	(3,263.98)
Amount written off	(48.13)	(42.65)
Gains/(losses) recognised in other comprehensive income	21.57	(26.05)
Balance at the end of the year	<u>7,210.34</u>	<u>5,869.68</u>

The above classification also includes balance of spread receivable on assigned portfolio. (Refer note 10)

41 Financial Instrument and fair value measurement (Continued)

B. Accounting classifications and fair values (Continued)

Sensitivity analysis to fair value

31 March 2024	Amount, net of tax	
	Increase	Decrease
Loans		
Interest rates (50 bps movement)	(16.12)	16.19
31 March 2023		
Loans		
Interest rates (50 bps movement)	(12.37)	12.42



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AAA FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

(₹ in Crores)

42 Capital

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the regulator, RBI. The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI.

The Company has complied in full with all its externally imposed capital requirements over the reported period. Equity share capital and other equity are considered for the purpose of Company's capital management.

42.1 Capital management

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

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

42.2 Regulatory capital

	As at 31 March 2024	As at 31 March 2023
Tier 1 Capital	1,515.89	1,329.70
Tier 2 Capital	277.21	285.34
Total Capital (Numerator)	1,793.10	1,615.05
Risk weightage assets (Denominator)	7,454.95	6,386.60
Risk weighted assets		
Tier 1 Capital Ratio (%)	20.33%	20.79%
Tier 2 Capital Ratio (%)	3.72%	4.46%
Total Capital Ratio (%)	24.05%	25.25%

Tier 1 capital consists of shareholders' equity and retained earnings excluding unrealised gain but including unrealised loss. Tier 2 capital consists of ECL on stage 1 and subordinated debt (subject to prescribed discount rates and not exceeding 50% of Tier 1).



MAAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2024

(₹ In Crores)

43 Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings and trade payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets mainly includes loan and advances, cash and cash equivalents that derive directly from its operations.

The Company is exposed to credit risk, liquidity risk and market risk. The Company's board of directors has an overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company's risk management committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

43.1 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party to financial instrument fails to meet its contractual obligations and arises principally from the Company's loans and investments.

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

(a) Loans and advances

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 associated with the industry.

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before sanctioning any loan. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information, the loan-to-value ratio etc.

Analysis of risk concentration

The following table shows the risk concentration of the Company's loans.

	Carrying Amount	
	As at 31 March 2024	As at 31 March 2023
Retail assets loans:	4,839.93	3,026.28
Two wheeler loans	348.02	317.60
Micro enterprise loans	1,396.38	1,210.59
Salaried personal loans	313.13	247.94
Small and medium enterprise loans	1,606.62	1,080.11
Commercial vehicle loans	375.78	170.04
Retail Assets Channel loans	3,291.49	2,925.78
Total	7,331.41	5,952.06

Narrative Description of Collateral

Collateral primarily include vehicles purchased by retail loan customers and machinery & property in case of SME customers. The secured exposure are secured wholly or partly by hypothecation of assets and undertaking to create a security.

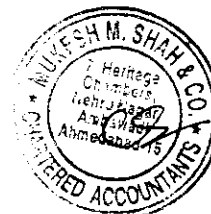
An impairment analysis is performed at each reporting date based on the facts and circumstances existing on that date to identify expected losses on account of time value of money and credit risk. For the purposes of this analysis, the loans are categorised into groups based on days past due. Each group is then assessed for impairment using the ECL model as per the provisions of Ind AS 109 - financial instruments.

(i) Staging:

As per the provision of Ind AS 109, all financial instruments are allocated to stage 1 on initial recognition. However, if a significant increase in credit risk is identified at the reporting date compared with the initial recognition, then an instrument is transferred to stage 2. If there is objective evidence of impairment, then the asset is credit impaired and transferred to stage 3.

The Company considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes due by more than 90 days on its contractual payments.

For financial assets in stage 1, the impairment calculated based on defaults that are possible in next twelve months, whereas for financial instrument in stage 2 and stage 3 the ECL calculation considers default event for the lifespan of the instrument.



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AAAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

(₹ In Crores)

43 Financial risk management objectives and policies (Continued)

43.1 Credit risk (Continued)

(a) Loans and advances (Continued)

(i) Staging: (Continued)

As per Ind AS 109, the Company assesses whether there is a significant increase in credit risk at the reporting date from the initial recognition. The Company has staged the assets based on the days past dues criteria and other market factors which significantly impacts the loan portfolio.

Company's internal grades and staging criteria for loans are as follows:

Days past dues status	Stage	Internal grades	Provisions
Current	Stage 1	High Quality assets, negligible credit risk	12 months provision
1-30 Days	Stage 1	High Quality assets, negligible credit risk	12 months provision
31-60 Days	Stage 2	Quality assets, low credit risk	Lifetime provision
61-90 Days	Stage 2	Standard assets, moderate credit risk	Lifetime provision
91-180 Days	Stage 3	Sub-standard assets, relatively high credit risk	Lifetime provision
>180 Days	Stage 3	Low quality assets, very high credit risk	Lifetime provision

(ii) Grouping:

As per Ind AS 109, Company is required to group the portfolio based on the shared risk characteristics. The Company has assessed the risk and its impact on the various portfolios and has divided the portfolio into following groups:

- Two wheeler loans
- Micro enterprise loans
- Salared personal loans
- Small and medium enterprise loans
- Commercial vehicle loans
- Retail asset channel loans

(iii) ECL:

ECL on financial assets is an unbiased probability weighted amount based out of possible outcomes after considering risk of credit loss even if probability is low. ECL is calculated based on the following components:

- Probability of default ("PD")
- Loss given default ("LGD")
- Exposure at default ("EAD")
- Discount factor ("D")

For RAC loan portfolio, the Company has developed internal rating based approach for the purpose of ECL. The credit rating framework of the Company consists of various parameters based on which RAC loan portfolio is evaluated and credit rating is assigned accordingly. The credit rating matrix developed by the Company is validated in accordance with its ECL policy.

The Company has developed its PD matrix based on the external benchmarking of external reports, external ratings and Basel norms. This PD matrix is calibrated with its historical data and major events on regular time interval in accordance with its ECL policy.

Probability of default:

PD is defined as the probability of whether borrowers will default on their obligations in the future. Historical PD is derived from internal data of the Company calibrated with forward looking macroeconomic factors.

For computation of probability of default ("PD"), Vasicek Single Factor Model was used to forecast the PD term structure over lifetime of loans. As per Vasicek model, given long term PD and current macroeconomic conditions, conditional PD corresponding to current macroeconomic condition is estimated. The Company has worked out PD based on the last five years historical data.

The PDs derived from the Vasicek model, are the cumulative PDs, stating that the borrower can default in any of the given years, however to compute the loss for any given year, these cumulative PDs are converted to marginal PDs. Marginal PDs is probability that the obligor will default in a given year, conditional on it having survived till the end of the Current year.

As per Ind AS 109, expected loss has to be calculated as an unbiased and probability-weighted amount for multiple scenarios.

The probability of default was calculated for 3 scenarios: upside (11%), downside (21%) and base (68%). This weightage has been decided on best practices and expert judgement. Marginal conditional probability was calculated for all 3 possible scenarios and one conditional PD was arrived as conditional weighted probability.



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AAAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

(₹ In Crores)

43 Financial risk management objectives and policies (Continued)

43.1 Credit risk (Continued)

(a) Loans and advances (Continued)

(iii) ECL: (Continued)

Loss given default:

LGD is an estimate of the loss from a transaction given that a default occurs. Under Ind AS 109, lifetime LGD's are defined as a collection of LGD's estimates applicable to different future periods.

Various approaches are available to compute the LGD. The Company has considered workout LGD approach. The following steps are performed to calculate the LGD:

- 1) Analysis of historical credit impaired accounts at cohort level.
- 2) The computation consists of four components, which are:
 - a) Outstanding balance (POS)
 - b) Recovery amount (discounted yearly) by effective interest rate.
 - c) Expected recovery amount (for incomplete recoveries), discounted to reporting date using effective interest rate.
 - d) Collateral (security) amount.

The formula for the computation is as below:

$$\% \text{ Recovery rate} = (\text{discounted recovery amount} + \text{security amount} + \text{discounted estimated recovery}) / (\text{total outstanding balance})$$

$$\% \text{ LGD} = 1 - \text{recovery rate}$$

For RAC loan portfolio, the LGD has been considered based on Basel-II Framework for all the level of credit rating portfolio.

Exposure at default:

As per Ind AS 109, EAD is estimation of the extent to which the financial entity may be exposed to counterparty in the event of default and at the time of counterparty's default. The Company has modelled EAD based on the contractual and behavioural cash flows till the lifetime of the loans considering the expected assignment of loans.

The Company has considered expected cash flows for all the loans at DPD bucket level for each of the segments, which was used for computation of ECL. The exposure at default is calculated for each product and for various DPD status after considering future expected assignment which is not at risk. Moreover, the EAD comprised of principal component, accrued interest and also the future interest for the outstanding exposure of retail loans. Further, the EAD for stage 3 retail loans are the outstanding exposures at the time loan is classified as Stage 3 for the first time.

Discounting:

As per Ind AS 109, ECL on retail loans is computed by estimating the timing of the expected credit shortfalls associated with the defaults and discounting them using effective interest rate.

ECL computation:

Conditional ECL at DPD pool level was computed with the following method:

$$\text{Conditional retail ECL for year (yt)} = \text{EAD (yt)} * \text{conditional PD (yt)} * \text{LGD (yt)} * \text{discount factor (yt)}$$

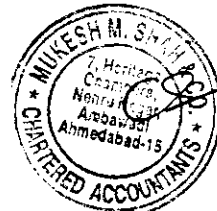
$$\text{Conditional RAC ECL for year (yt)} = \text{EAD (yt)} * \text{conditional PD (yt)} * \text{LGD (yt)}$$

For RAC loan portfolio, the Company has calculated ECL based on borrower wise assessment of internal credit rating as per the framework of the Company, while for retail loan portfolio, the same has been calculated on collective basis.

The calculation is based on provision matrix which considers actual historical data adjusted appropriately for the future expectations and probabilities. Proportion of ECL provided for across the stages is summarised below:

	As at	
	31 March 2024	31 March 2023
Stage 1	0.42%	0.53%
Stage 2	22.74%	17.76%
Stage 3	38.92%	40.20%
Amount of expected credit loss provided for	129.44	103.46

The loss rates are based on actual credit loss experience over past 5 years. These loss rates are then adjusted appropriately to reflect differences between current and historical economic conditions and the Company's view of economic conditions over the expected lives of the loan receivables.



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FLS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

(₹ In Crores)

43 Financial risk management objectives and policies (Continued)

43.1 Credit risk (Continued)

(a) Loans and advances (Continued)

(iv) Management overlay

The Company holds a management and macro-economic overlay of ₹ 18.79 crores as at 31 March 2024 (31 March 2023: ₹ 20.03 crores).

(v) Modification of financial assets

The Company has modified the terms of certain loans provided to customers in accordance with RBI notification on MSME restructuring dated 6 August 2020 and 5 May 2021. Such restructuring benefits are provided to distressed customers who are impacted by COVID-19 pandemic.

Such restructuring benefits include extended payment term arrangements, moratorium and changes in interest rates. The risk of default of such assets after modification is assessed at the reporting date and compared with the risk under the original terms at initial recognition, when the modification is not substantial and so does not result in derecognition of the original asset (refer note 3.5). The Company monitors the subsequent performance of modified assets. The gross carrying amount of such assets held as at 31 March 2024 is ₹ 0.47 crores (31 March 2023: ₹ 2.73 crores). Overall provision for expected credit loss against restructured loan exposure amounts to ₹ 0.13 crores as at 31 March 2024 (31 March 2023: ₹ 1.06 crores). The Company continues to monitor if there is a subsequent significant increase in credit risk in relation to such assets.

(b) Cash and cash equivalent and bank deposits

Credit risk on cash and cash equivalent and bank deposits is limited as the Company generally invests in term deposits with banks which are subject to an insignificant risk of change in value.

43.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due.

The Company is monitoring its liquidity risk by estimating the future inflows and outflows during the start of the year and planned accordingly the funding requirement. The Company manages its liquidity by unutilised cash credit facility, term loans and direct assignment of loans.

The composition of the Company's liability mix ensures healthy asset liability maturity pattern and well diverse resource mix.

The total cash credit limit available to the Company is ₹ 1690 Crore spread across 14 banks. The utilization level is maintained in such a way that ensures sufficient liquidity on hand.

RBI has mandated minimum liquidity coverage ratio (LCR) of 50% to be maintained by December 2021, which is to be gradually increased to 100% by December 2024. The Company has LCR of 547.22 % as of 31 March 2024 as against the LCR of 50% mandated by RBI.

The Management expects to continue to maintain around 20% to 25% of assets under management as off book through direct assignment transactions. It is with door to door maturity and without recourse to the Company. This further strengthens the liability management.

The table below summarises the maturity profile of the undiscounted cash flow of the Company's financial liabilities:

	1 day to 30 days (one month)	Over one month to 2 months	Over 2 months up to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 year to 5 years	Over 5 years	Total
As at 31 March 2024									
Debt securities	2.47	2.40	11.16	34.63	173.58	470.96	53.75	-	748.95
Borrowings (Other than debt securities)	116.88	120.84	349.81	627.07	2,224.90	2,887.13	521.26	-	6,847.88
Subordinated liabilities	2.78	2.78	2.78	8.39	16.56	66.65	301.90	51.46	453.30
Payables	15.75	-	-	1.13	-	-	-	-	16.88
Lease liability	0.07	0.08	0.08	0.23	0.46	1.70	0.98	-	3.59
Other financial liabilities	204.55	-	-	0.12	43.78	1.82	-	-	250.28



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FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

(₹ In Crores)

43 Financial risk management objectives and policies (Continued)

43.2 Liquidity risk (Continued)

	1 day to 30 days (one month)	Over one month to 2 months	Over 2 months up to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 year to 5 years	Over 5 years	Total
As at 31 March 2023									
Debt securities	0.26	6.52	0.21	24.59	600.24	106.39	-	-	738.21
Borrowings (Other than debt securities)	87.85	94.49	235.30	417.47	2,092.69	2,168.90	484.19	-	5,560.89
Subordinated liabilities	2.09	2.33	2.34	7.04	13.97	55.90	150.15	169.00	402.82
Payables	2.86	2.86	6.53	0.83	0.61	-	-	-	13.48
Lease liability	0.03	0.03	0.03	0.09	0.19	0.69	0.29	-	1.35
Other financial liabilities	236.06	6.12	5.26	0.08	53.84	3.15	-	-	304.51

43.3 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk includes interest rate risk and foreign currency risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

A. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's investment and variable interest rate borrowings and lending.

The sensitivity analysis have been carried out based on the exposure to interest rates for lending and borrowings carried at variable rate and investments made by the Company.

Change in interest rates	Year ended 31 March 2024		Year ended 31 March 2023	
	50 bps Increase	50 bps decrease	50 bps increase	50 bps decrease
Investments	60.96	60.96	176.78	176.78
Impact on profit before tax for the year	0.25	(0.25)	0.88	(0.88)
Variable rate lending	3,291.49	3,291.49	2,925.78	2,925.78
Impact on profit before tax for the year	16.46	(16.46)	14.63	(14.63)
Variable rate borrowings	5,633.48	5,633.48	5,445.71	5,445.71
Impact on profit before tax for the year	(28.17)	28.17	(27.23)	27.23

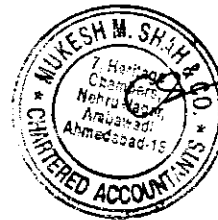
B. Foreign currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk for the Company arises majority on account of foreign currency borrowings. The Company's foreign currency exposures are managed in accordance with its Foreign Exchange Risk Management Policy which has been approved by its Board of Directors. The Company has hedged its foreign currency risk on its foreign currency borrowings as on March 31, 2024 by entering into forward contracts with the intention of covering the entire term of foreign currency exposure. The counterparties for such hedge transactions are banks.

The Company's exposure on account of Foreign Currency Borrowings at the end of the reporting period expressed in Indian Rupees are as follows:

	Foreign currency	As at 31 March 2024	As at 31 March 2023
Term loan from Bank in Foreign Currency	USD	577.04	-

Since the foreign currency exposure is completely hedged by equivalent derivative instrument, there will not be any significant impact on sensitivity analysis due to the possible change in the exchange rates where all other variables are held constant. On the date of maturity of the derivative instrument, considering the hedging for the entire term of the foreign currency exposure, the sensitivity of profit and loss to changes in the exchange rates will be Nil.



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MA S FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2024

(₹ In Crores)

44 Lease disclosure

Where the Company is the lessee

The Company has entered into agreements for taking its office premises under lease and license arrangements. These agreements are for tenures between 11 months and 5 years and majority of the agreements are renewable by mutual consent on mutually agreeable terms, lease rentals have an escalation ranging between 5% to 15%. Leases for which the lease term is less than 12 months have been accounted as short term leases.

Contractual cash maturities of lease liabilities on an undiscounted basis	As at	As at
	31 March 2024	31 March 2023
Not later than one year	0.91	0.37
Later than one year and not later than five years	2.69	0.99
Later than five years	-	-
Total undiscounted lease liabilities	3.69	1.35
Lease liabilities included in the balance sheet	2.99	1.14
Total lease liabilities	2.99	1.14

Amount recognised in the statement of profit and loss account	Year ended	Year ended
	31 March 2024	31 March 2023
Interest on lease liabilities	0.19	0.09
Depreciation charge for the year	0.67	0.27
Expenses relating to short term leases	3.97	3.25

Amount recognised in statement of cash flow	Year ended	Year ended
	31 March 2024	31 March 2023
Cash outflow towards lease liability	(0.45)	(0.22)

For addition and carrying amount of right to use asset for 31 March 2024 and 31 March 2023, refer note 11(d).

Title deeds of all immovable properties of the Company are held in name of the Company. Further all the lease agreements are duly executed in favour of the Company for properties where the Company is the lessee.

45 Transfer of financial assets

45.1 Transferred financial assets that are not derecognised in their entirety

The following table provides a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

	As at	As at
	31 March 2024	31 March 2023
Securitisation		
Carrying amount of transferred assets	-	-
Carrying amount of associated liabilities (Borrowings - other than debt securities)	-	-
Fair value of assets (A)	-	-
Fair value of associated liabilities (B)	-	-
Net position at Fair Value (A-B)	-	-



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MA S FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2024

(₹ In Crores)

45 Transfer of financial assets (Continued)

45.2 Transferred financial assets that are derecognised in their entirety

The Company has assigned loans by way of direct assignment. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the extent of exposure net of MRR to the buyer, the assets have been derecognised from the Company's Balance Sheet. The table below summarises the carrying amount of the derecognised financial assets:

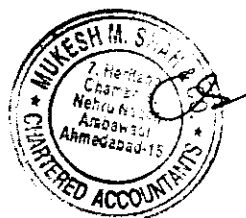
	As at 31 March 2024	As at 31 March 2023
Direct assignment		
Carrying amount of de-recognised financial asset	1,927.33	1,186.60
Carrying amount of retained financial asset	207.96	158.82

45.3 Transferred financial assets that are derecognised in their entirety but where the Company has continuing involvement

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

46 Additional disclosures:

- 46.1 No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder, as at 31 March 2024 and 31 March 2023.
- 46.2 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 31 March 2024 and 31 March 2023.
- 46.3 The Company does not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended 31 March 2024 and 31 March 2023.
- 46.4 All the charges or satisfaction, as applicable are registered with ROC within the statutory period.
- 46.5 The Company has taken borrowings from banks and financial institutions and utilised them for the specific purpose for which they were taken as at the Balance sheet date. Unutilised funds are held by the Company in the form of deposits or in current accounts till the time the utilisation is made subsequently.
- 46.6 There have been no transactions which have not been recorded in the books of accounts, that have been surrendered or disclosed as income during the year ended 31 March 2024 and 31 March 2023, in the tax assessments under the Income Tax Act, 1961. There have been no previously unrecorded income and related assets which were to be properly recorded in the books of account during the year ended 31 March 2024 and 31 March 2023.
- 46.7 As a part of normal lending business, the Company grants loans and advances after exercising proper due diligence.
Other than the transactions described above,
(a) No funds have been advanced or loaned or invested by the Company to or in any other person(s) or entity(ies) including foreign entities ("Intermediaries") with the understanding that the Intermediary shall lend or invest in a party identified by or on behalf of the Company (Ultimate Beneficiaries);
(b) No funds have been received by the Company from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly, lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 46.8 The Company has not traded or invested in Crypto currency or Virtual Currency during the year ended 31 March 2024 and 31 March 2023.
- 46.9 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 for the financial years ended 31 March 2024 and 31 March 2023.
- 46.10 The Company has not entered into any scheme of arrangement.
- 46.11 The company has used accounting software for maintaining its books of account for the financial year ended 31 March 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all the relevant transactions recorded in the software except that, audit trail feature was not enabled at database level for accounting software to log any direct data changes. Further, there has been no instance of the audit trail feature being tempered with in respect of such accounting software where such feature is enabled.



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HLA FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2024

(₹ In Crores)

47 Disclosures required in terms of Annexure XXII of the Master Direction - Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated 19 October 2023 (updated as on 21 March 2024) are mentioned as below:

47.1 Capital

	As at 31 March 2024	As at 31 March 2023
i) CRAR (%)	24.05%	25.25%
ii) CRAR - Tier I capital (%)	20.33%	20.79%
iii) CRAR - Tier II capital (%)	3.72%	4.46%
iv) Amount of subordinated debt raised as Tier-II capital	248.00	255.00
v) Amount raised by issue of perpetual debt instruments	-	-

47.2 Investments

	As at 31 March 2024	As at 31 March 2023
1. Value of investments		
(i) Gross value of investments		
(a) In India	787.89	826.36
(b) Outside India	-	-
(ii) Provisions for depreciation		
(a) In India	0.18	0.24
(b) Outside India	-	-
(iii) Net value of investments		
(a) In India	787.71	826.12
(b) Outside India	-	-
2. Movement of provisions held towards depreciation on investments.		
(i) Opening balance	0.24	0.55
(ii) Add: Provisions made during the year	0.17	0.21
(iii) Less: Write-off / write-back of excess provisions during the year	0.24	0.52
(iv) Closing balance	0.18	0.24

47.3 Derivatives

(A) Forward Rate Agreement / Interest Rate Swap

	As at 31 March 2024	As at 31 March 2023
(i) The notional principal of swap agreements	-	-
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	-
(iii) Collateral required by the NBFC upon entering into swaps	-	-
(iv) Concentration of credit risk arising from the swap	-	-
(v) The fair value of the swap book	-	-

(B) Exchange Traded Interest Rate (IR) Derivatives :

The Company has not traded in exchange traded interest rate derivative during the current and previous year.

(C) Disclosures on Risk Exposure in Derivatives

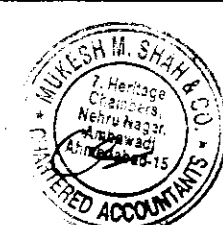
Qualitative Disclosure

The Company has a Board approved policy in dealing with derivative transactions. The Company undertakes derivative transactions for hedging its foreign currency exposures to mitigate the foreign currency risk. During the year, the company has hedged its foreign currency borrowings through foreign exchange forward contracts.

The foreign currency transactions and derivative transactions are accounted in accordance with IND AS as detailed in the accounting policy Note 3.22

Quantitative Disclosures

	As at 31 March 2024		As at 31 March 2023	
	Currency derivatives	Interest rate derivatives	Currency derivatives	Interest rate derivatives
(i) Derivatives (Notional principal amount)				
For Hedging	574.86	-	-	-
(ii) Marked to market positions: (Net)				
a) Asset (+)	1.91	-	-	-
b) Liability (-)	-	-	-	-
(iii) Credit exposure	-	-	-	-
(iv) Unhedged exposures	-	-	-	-



FRAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

(₹ in Crores)

47.4 Asset liability management maturity pattern of certain items of assets and liabilities

	Over 1 day to 7 days	Over 8 day to 14 days	Over 15 day to 30 days	Over one month to 2 months	Over 2 months up to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 year to 5 years	Over 5 years	Total
As at 31 March 2024											
Bank Fixed Deposits	-	25.02	159.22	-	243.63	1.14	281.05	21.81	1.51	-	733.48
Advances	203.89	82.30	232.76	462.73	569.96	1,131.92	1,704.26	2,464.82	311.67	100.53	7,284.83
Investments	12.12	11.22	51.57	34.11	44.78	112.34	243.07	216.53	0.43	61.55	787.71
Borrowings (Refer note below)	24.36	19.25	38.86	83.27	320.20	527.87	2,157.42	2,892.14	937.94	48.22	7,049.33
Foreign Currency assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-	-	-
As at 31 March 2023											
Bank Fixed Deposits	70.06	-	0.83	150.03	-	0.01	1.45	475.98	-	-	698.37
Advances	81.46	67.75	272.28	370.60	447.80	872.39	1,461.88	2,059.52	254.76	21.73	5,910.18
Investments	0.54	9.64	38.57	44.58	40.89	137.99	206.20	300.06	13.09	34.57	826.12
Borrowings	16.98	11.96	30.61	71.39	205.97	343.49	2,466.62	2,010.50	524.91	155.09	5,837.52
Foreign Currency assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-	-	-

Note: The company has converted a portion of long term Indian Rupee borrowing into a short term foreign currency (FC) loan. This FC loan will either get roll over or be again converted into INR term loan till the maturity of the original loan. The actual repayment of this loan will be made as per the original repayment terms as per the original Indian Rupee Long term Borrowing. Accordingly, the maturity pattern in this table is considered as per the applicable tenure of the original INR Borrowing. The amount of such Foreign currency loan outstanding as at 31 March 2024 is Rs. 577.04 Crore.

47.5 Exposure to Real Estate Sector: Refer note 51 (A) (1) for details

47.6 Exposure to Capital Market: Refer note 51 (A) (2) for details

47.7 Details of financing of parent company products
Not applicable

47.8 Details of Single Borrower Limit ("SGL") / Group Borrower Limit ("GBL") exceeded by the NBFC

i) Loans and advances, excluding advance funding but including off-balance sheet exposures to any single party in excess of 15 per cent of owned fund of the NBFC:

Nil

ii) Loans and advances to (excluding advance funding but including debentures/bonds and off-balance sheet exposures) and investment in the shares of single party in excess of 25 per cent of the owned fund of the NBFC:

Nil

47.9 Unsecured advances

a) Refer note 8(B)(i) to the standalone financial statements.

b) The Company has not granted any advances against intangible securities (31 March 2023: Nil).

47.10 Registration obtained from other financial sector regulators

The Company is registered with RBI and has all its operations in India, it has not obtained registration from any other financial sector regulators during the year.

47.11 Disclosure of penalties imposed by RBI and other regulators

During the year ended 31 March 2024, no penalties have been imposed by RBI and other regulators (31 March 2023: Nil).

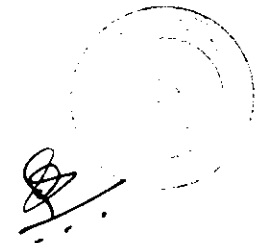
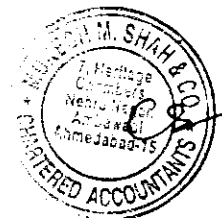
47.12 Related party transactions

Refer note 35 to the standalone financial statements.

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

By Acuite Ratings & Research Limited:

INSTRUMENT	AMOUNT	CURRENT RATING	PREVIOUS RATING
Long term bank facilities	6,000.00	ACUTE AA- (Stable)	No migration of rating
Non Convertible Debentures (NCD)	200.00	ACUTE AA- (Stable)	-
Commercial paper issue	300.00	ACUTE A1+	No migration of rating



IAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

(₹ In Crores)

47.13 Ratings assigned by credit rating agencies and migration of ratings during the year (Continued)

By Care Ratings Limited:

INSTRUMENT	AMOUNT	CURRENT RATING	PREVIOUS RATING
Long term bank facilities	8,000.00	CARE AA- (Stable)	CARE A+ (Positive)
Commercial Papers issue	250.00	CARE A1+	No migration of rating
Non Convertible Debentures	400.00	CARE AA- (Stable)	CARE A+ (Positive)
Non Convertible Debentures	250.00	CARE AA- (Stable)	CARE A+ (Positive)
Market linked debenture	75.00	CARE PP-MLD AA- (Stable)	CARE PP-MLD A+ (Positive)
Market linked debenture	100.00	CARE PP-MLD AA- (Stable)	CARE PP-MLD A+ (Positive)
Market linked debenture	125.00	CARE PP-MLD AA- (Stable)	CARE PP-MLD A+ (Positive)
Subordinate debt	200.00	CARE AA- (Stable)	CARE A+ (Positive)
Subordinate debt	100.00	CARE AA- (Stable)	CARE A+ (Positive)
Subordinate debt	100.00	CARE AA- (Stable)	CARE A+ (Positive)

47.14 Remuneration of directors

Refer note 35 to the standalone financial statements.

47.15 Management Discussion and Analysis

The annual report has a detailed chapter on Management Discussion and Analysis.

47.16 Net profit or loss for the period, prior period items and change in accounting policies

The Company does not have any prior period items and change in accounting policies during the current year.

47.17 Revenue recognition

Refer note 3.1 to the standalone financial statements.

47.18 Ind AS 110 - consolidated financial statements (CFS)

The Company has prepared Consolidated Financial Statements in accordance with the requirements of Ind AS 110 - Consolidated Financial Statements.

47.19 Provisions and contingencies

The information on all provisions and contingencies is as under:

Break up of 'provisions and contingencies' shown under the head expenditure in the statement of profit and loss	As at 31 March 2024	As at 31 March 2023
Provision for depreciation on investment	(0.06)	(0.31)
Provision towards non performing assets (Stage 3 loan assets)	20.82	8.65
Provision made towards income tax	80.72	62.63
Provision towards standard assets (Stage 1 and 2 loan assets)	5.15	(5.39)

47.20 Draw down from reserves

	As at 31 March 2024	As at 31 March 2023
Draw down from reserves	-	-

47.21 Concentration of deposits (for deposit taking NBFCs)

Not Applicable



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MAA FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

(₹ in Crores)

47.22 Concentration of advances

	As at 31 March 2024	As at 31 March 2023
Total advances to twenty largest borrowers	1,198.70	1,448.59
Percentage of advances to twenty largest borrowers to total advances of the NBFC	16.50%	24.48%

47.23 Concentration of exposures

	As at 31 March 2024	As at 31 March 2023
Total exposure to twenty largest borrowers / customers	1,219.82	1,537.14
Percentage of exposures to twenty largest borrowers / customers to total exposure of the NBFC on borrowers / customers	16.48%	25.51%

47.24 Concentration of NPAs

	As at 31 March 2024	As at 31 March 2023
Total exposure to top four NPA accounts	17.70	10.95

47.25 Sector-wise NPAs: Refer note 52 for details

47.26 Movement of NPAs

	As at 31 March 2024	As at 31 March 2023
(i) Net NPAs to net advances (%)	1.50%	1.36%
(ii) Movement of NPAs (gross)		
(a) Opening balance	132.70	104.89
(b) Additions during the year	165.24	114.22
(c) Reductions during the year	107.36	86.41
(d) Closing balance	190.58	132.70
(iii) Movement of net NPAs		
(a) Opening balance	79.35	60.19
(b) Additions during the year	104.57	70.31
(c) Reductions during the year	67.51	51.15
(d) Closing balance	116.41	79.35
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	53.35	44.70
(b) Provisions made during the year	60.67	43.91
(c) Write-off / write-back of excess provisions	39.85	35.25
(d) Closing balance	74.17	53.35

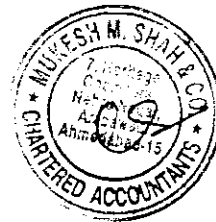
47.27 Overseas assets (for those with joint ventures and subsidiaries abroad)

Nil

47.28 Off-balance sheet SPVs sponsored (which are required to be consolidated as per accounting norms)

Nil

47.29 Disclosure of customers complaints: Refer note 51 for details



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FLS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2024

(₹ in Crores)

48 Disclosures relating to securitisation and transfer of loan exposure

The information of securitisation and transfer of loan exposure by the Company as required by RBI circular RB/DOR/2021-22/85 DOR.STR.REC.53/21.04.177/2021-22 and RB/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated 24 September 2021 is as under:

(a) For Securitisation Transaction by originator (non-STC transaction)

Sr. No.	Particulars	As at 31 March 2024	As at 31 March 2023
1	No of SPEs holding assets for securitisation transactions originated by the originator	-	-
2	Total amount of securitised assets as per books of the SPEs	-	-
3	Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet	-	-
	a) Off-balance sheet exposures	-	-
	• First loss	-	-
	• Others	-	-
	b) On-balance sheet exposures	-	-
	• First loss	-	-
	• Others	-	-
4	Amount of exposures to securitisation transactions other than MRR	-	-
	a) Off-balance sheet exposures	-	-
	i) Exposure to own securitizations	-	-
	• First loss	-	-
	• Others	-	-
	ii) Exposure to third party securitizations	-	-
	• First loss	-	-
	• Others	-	-
	b) On-balance sheet exposures	-	-
	i) Exposure to own securitizations	-	-
	• First loss	-	-
	• Others	-	-
	ii) Exposure to third party securitizations	-	-
	• First loss	-	-
	• Others	-	-
5	Sale consideration received for the securitised assets; Gain/loss on sale on account of securitisation	-	-
6	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.	-	-
	Over collateralisation	-	-
	Excess interest spread	-	-
	Cash collateral	-	-
7	Performance of facility provided	-	-
	Over collateralisation	-	-
	(a) Amount paid	-	-
	(b) Repayment received	-	10.58
	(c) Outstanding amount	-	-
	Excess interest spread	-	-
	(a) Amount paid	-	-
	(b) Repayment received	-	2.86
	(c) Outstanding amount	-	-
	Cash collateral	-	-
	(a) Amount paid	-	-
	(b) Repayment received	-	4.99
	(c) Outstanding amount	-	-
8	Average default rate of portfolios observed in the past.	-	-
	(a) loans to NBFCs	-	-
9	Amount and number of additional/top up loan given on same underlying asset.	-	-
10	Investor complaints	-	-
	(a) Directly/Indirectly received and:	-	-
	(b) Complaints outstanding	-	-

(b) For Securitisation Transaction by originator (STC transaction) - Not applicable



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RAJ FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

(₹ in Crores)

48 Disclosures relating to securitisation and transfer of loan exposure (Continued)

(c) Details of loans not in default transferred through assignment

Particulars	Year ended	Year ended
	31 March 2024	31 March 2023
Aggregate principal outstanding of loans transferred (₹ in crores)	2,242.21	1,674.41
Weighted average residual maturity (in months)	23	24
Weighted average holding period (in months)	5	5
Average retention of beneficial economic interest (MRR) (%)	10%	13%
Average coverage of tangible security (%)	50%	49%
Rating wise distribution of loans transferred	Unrated	Unrated

(d) Details of loans not in default acquired through assignment

Particulars	Year ended	Year ended
	31 March 2024	31 March 2023
Aggregate principal outstanding of loans acquired (₹ in crores)	322.75	167.94
Weighted average residual maturity (in months)	24	22
Weighted average holding period (in months)	9	9
Average retention of beneficial economic interest (MRR) by originator (%)	10%	10%
Average coverage of tangible security (%)	36%	2%
Rating wise distribution of loans acquired	Unrated	Unrated

(e) Details of non-performing financial assets purchased / sold

The Company has not purchased or sold non-performing financial assets during the year (previous year Nil).



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MAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2024

(₹ In Crores)

49 Disclosures required in terms of Annexure VI and Annexure XXI of the Master Direction - Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated 19 October 2023 (updated as on 21 March 2024) on Guidelines on Liquidity Risk Management Framework and Liquidity Coverage Ratio (LCR) are mentioned as below:

49.1 Funding concentration based on significant counterparty¹ (both deposits and borrowings)

	As at 31 March 2024	As at 31 March 2023
Number of significant counterparties	25	20
Amount	6,027.56	4,503.94
Percentage of funding concentration to total deposits	Not Applicable	Not Applicable
Percentage of funding concentration to total liabilities ²	82%	73%

¹Significant counterparty is as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No. 102/03.10.001/2019-20 dated November 4, 2019 on 'Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies'.

²Total liabilities represents total liabilities as per balance sheet.

49.2 Top 20 large deposits

Not Applicable to the Company as it does not accept public deposits.

49.3 Top 10 borrowings

	As at 31 March 2024	As at 31 March 2023
Total amount of top 10 borrowings	4,239.76	3,487.53
Percentage of amount of top 10 borrowings to total borrowings	60%	59%

49.4 Funding concentration based on significant instrument/product³

Name of instrument/product	As at		As at	
	31 March 2024	Percentage of total liabilities	31 March 2023	Percentage of total liabilities
Term Loans	5,044.02	69%	3,680.02	60%
Cash credit / Overdraft / Working capital demand loan	1,114.50	15%	1,304.43	21%
Market linked Debenture	100.00	1%	600.00	10%
Subordinate-debentures	310.00	4%	260.00	4%
Non convertible debentures	531.25	7%	31.25	1%

³Significant instrument/product is as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated November 4, 2019 on 'Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies'.

49.5 Stock ratio

	As at 31 March 2024	As at 31 March 2023
(i) Commercial paper as a percentage of total public funds ⁴	Not applicable	Not applicable
(ii) Commercial paper as a percentage of total liabilities	Not applicable	Not applicable
(iii) Commercial paper as a percentage of total assets	Not applicable	Not applicable
(iv) Non convertible debentures (original maturity of less than one year) as a percentage of total public funds	Not applicable	Not applicable
(v) Non convertible debentures (original maturity of less than one year) as a percentage of total liabilities	Not applicable	Not applicable
(vi) Non convertible debentures(original maturity of less than one year) as a percentage of total assets	Not applicable	Not applicable
(vii) Other short term liabilities as a percentage of total public funds	48%	59%
(viii) Other short term liabilities as a percentage of total liabilities	47%	56%
(ix) Other short term liabilities as a percentage of total assets	38%	45%

⁴Public funds as defined in Master Direction - Non-Banking Financial Company -Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Direction, 2016.

49.6 Institutional set-up for liquidity risk management

Refer note 43.2 of the standalone financials statements.



MAAS FINANCIAL SERVICES LIMITED

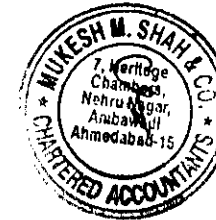
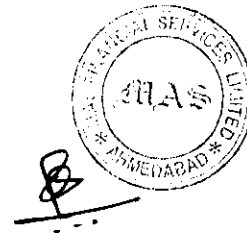
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

(₹ In Crores)

49 Disclosures required in terms of Annexure VI and Annexure XXI of the Master Direction - Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated 19 October 2023 (updated as on 21 March 2024) on Guidelines on Liquidity Risk Management Framework and Liquidity Coverage Ratio (LCR) are mentioned as below: (Continued)

Quarterly liquidity coverage ratio for the year ended 31 March 2024

Particulars	Quarter ended 30 June 2023		Quarter ended 30 September 2023		Quarter ended 31 December 2023		Quarter ended 31 March 2024	
	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets								
1 Total High Quality Liquid Assets (HQLA)	481.39	481.39	434.53	434.53	407.32	407.32	560.51	560.51
Cash Outflows								
2 Deposits (for deposit taking companies)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
3 Unsecured wholesale funding	-	-	-	-	-	-	-	-
4 Secured wholesale funding	100.59	115.68	155.03	178.28	273.42	314.43	155.09	178.35
5 Additional requirements, of which	-	-	-	-	-	-	-	-
(i) Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii) Credit and liquidity facilities	-	-	-	-	-	-	-	-
6 Other contractual funding obligations	203.71	234.27	182.96	210.41	189.24	217.62	201.19	231.37
7 Other contingent funding obligations	-	-	-	-	-	-	-	-
8 Total cash outflows	304.31	349.95	337.99	388.69	462.65	532.05	356.27	409.71
Cash inflows								
9 Secured lending	-	-	-	-	-	-	-	-
10 Inflows from fully performing exposures	445.32	333.99	417.11	312.83	506.73	380.05	544.21	408.16
11 Other cash inflows	270.65	202.99	322.29	241.72	277.40	208.05	155.43	116.57
12 Total cash inflows	715.97	536.98	739.40	554.55	784.13	588.10	699.64	524.73
	Total Adjusted Value		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value	
13 Total HQLA		481.39		434.53		407.32		560.51
14 Total net cash outflows		87.49		97.17		133.01		102.43
15 Liquidity coverage ratio (%)		550.23%		447.18%		306.23%		547.22%



SHAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

(₹ In Crores)

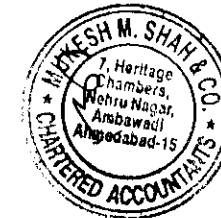
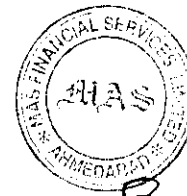
- 49 Disclosures required in terms of Annexure VI and Annexure XXI of the Master Direction - Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated 19 October 2023 (updated as on 21 March 2024) on Guidelines on Liquidity Risk Management Framework and Liquidity Coverage Ratio (LCR) are mentioned as below: (Continued)

Components of High Quality Liquid Assets (HQLA)

Particulars	Quarter ended 30 June 2023		Quarter ended 30 September 2023		Quarter ended 31 December 2023		Quarter ended 31 March 2024	
	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
1 Assets to be included as HQLA without any haircut	481.39	481.39	434.53	434.53	407.32	407.32	560.51	560.51
2 Assets to be considered for HQLA with a minimum haircut of 15%	-	-	-	-	-	-	-	-
3 Assets to be considered for HQLA with a minimum haircut of 50%	-	-	-	-	-	-	-	-
4 Approved securities held as per the provisions of section 45 IB of RBI Act	-	-	-	-	-	-	-	-
Total HQLA	481.39	481.39	434.53	434.53	407.32	407.32	560.51	560.51

Quarterly liquidity coverage ratio for the year ended 31 March 2023

Particulars	Quarter ended 30 June 2022		Quarter ended 30 September 2022		Quarter ended 31 December 2022		Quarter ended 31 March 2023	
	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets								
1 Total High Quality Liquid Assets (HQLA)	598.82	598.82	430.50	430.50	431.84	431.84	488.51	488.51
Cash Outflows								
2 Deposits (for deposit taking companies)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
3 Unsecured wholesale funding	13.33	15.33	-	-	-	-	-	-
4 Secured wholesale funding	103.46	118.97	87.44	100.56	127.46	146.58	146.64	168.64
5 Additional requirements, of which	-	-	-	-	-	-	-	-
(i) Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii) Credit and liquidity facilities	-	-	-	-	-	-	-	-
6 Other contractual funding obligations	62.84	72.26	68.28	78.52	122.89	141.32	187.40	215.51
7 Other contingent funding obligations	-	-	-	-	-	-	-	-
8 Total cash outflows	179.63	206.57	155.72	179.08	250.35	287.90	334.04	384.15



MAA FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2024

(₹ In Crores)

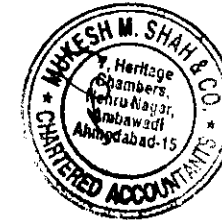
- 49 Disclosures required in terms of Annexure VI and Annexure XXI of the Master Direction - Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated 19 October 2023 (updated as on 21 March 2024) on Guidelines on Liquidity Risk Management Framework and Liquidity Coverage Ratio (LCR) are mentioned as below: (Continued)

Quarterly liquidity coverage ratio for the year ended 31 March 2023 (Continued)

Particulars	Quarter ended 30 June 2022		Quarter ended 30 September 2022		Quarter ended 31 December 2022		Quarter ended 31 March 2023	
	Total	Total	Total	Total	Total	Total	Total	Total
	Total Unweighted Value (average)	Weighted Value (average)	Total Unweighted Value (average)	Weighted Value (average)	Total Unweighted Value (average)	Weighted Value (average)	Total Unweighted Value (average)	Weighted Value (average)
Cash inflows								
9 Secured lending	-	-	-	-	-	-	-	-
10 Inflows from fully performing exposures	350.98	263.24	407.57	305.68	452.75	339.57	444.06	333.04
11 Other cash inflows	184.05	138.04	434.13	325.59	247.34	185.51	301.39	226.04
12 Total cash inflows	535.03	401.27	841.70	631.27	700.10	525.07	745.45	559.09
	Total Adjusted Value		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value	
13 Total HQLA		598.82		430.50		431.84		488.51
14 Total net cash outflows		51.64		44.77		71.98		96.04
15 Liquidity coverage ratio (%)		1159.55%		961.61%		599.97%		508.67%

Components of High Quality Liquid Assets (HQLA)

Particulars	Quarter ended 30 June 2022		Quarter ended 30 September 2022		Quarter ended 31 December 2022		Quarter ended 31 March 2023	
	Total	Total	Total	Total	Total	Total	Total	Total
	Total Unweighted Value (average)	Weighted Value (average)	Total Unweighted Value (average)	Weighted Value (average)	Total Unweighted Value (average)	Weighted Value (average)	Total Unweighted Value (average)	Weighted Value (average)
1 Assets to be included as HQLA without any haircut	598.82	598.82	430.50	430.50	431.84	431.84	488.51	488.51
2 Assets to be considered for HQLA with a minimum haircut of 15%	-	-	-	-	-	-	-	-
3 Assets to be considered for HQLA with a minimum haircut of 50%	-	-	-	-	-	-	-	-
4 Approved securities held as per the provisions of section 45 IB of RBI Act	-	-	-	-	-	-	-	-
Total HQLA	598.82	598.82	430.50	430.50	431.84	431.84	488.51	488.51



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SHARDA FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2024

(₹ In Crores)

- 49 Disclosures required in terms of Annexure VI and Annexure XXI of the Master Direction - Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated 19 October 2023 (updated as on 21 March 2024) on Guidelines on Liquidity Risk Management Framework and Liquidity Coverage Ratio (LCR) are mentioned as below: (Continued)

The LCR is one of the key parameters closely monitored by RBI to enable a more resilient financial sector. The objective of the LCR is to promote an environment wherein balance sheet carry a strong liquidity for short term cash flow requirements. To ensure strong liquidity NBFCs are required to maintain adequate pool of unencumbered High-Quality Liquid Assets (HQLA) which can be easily converted into cash to meet their stressed liquidity needs for 30 calendar days. The LCR is expected to improve the ability of financial sector to absorb the shocks arising from financial and/or economic stress, thus reducing the risk of spill over from financial sector to real economy.

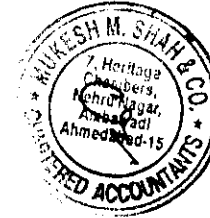
The Liquidity Risk Management of the Company is managed by the Asset Liability Committee (ALCO) under the governance of Board approved Liquidity Risk Framework and Asset Liability Management policy. The LCR levels for the balance sheet date is derived by arriving the stressed expected cash inflow and outflow for the next calendar month. To compute stressed cash outflow, all expected and contracted cash outflows are considered by applying a stress of 15%. Similarly, inflows for the Company is arrived at by considering all expected and contracted inflows by applying a haircut of 25%.

HQLA primarily includes cash on hand, bank balances in current accounts and free fixed deposit against which overdraft facility has been availed off net of availed overdraft.

The LCR is computed by dividing the stock of HQLA by its total net cash outflows over one-month stress period. LCR guidelines requires NBFCs to maintain minimum LCR of 60% and 50% as on 31 March 2023 and 31 March 2022 respectively which is gradually required to be increased to 100% by 1 December 2024.







SHAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

(₹ In Crores)

- 50 Disclosure in accordance with RBI notification no. RBI/2020-21/17 DOR.No.BP.BC/4/21.04.048/2020-21 dated 6 August 2020 and RBI/2021-22/32 DOR.STR.REC.12/21.04.048/2021-22 dated 5 May 2021 are as follows:

Type of Restructuring Under CDR Mechanism and Under SME Debt Restructuring Mechanism	As at 31 March 2024	As at 31 March 2023
No. of accounts restructured*	1	175
Amount**	0.45	2.63

* Cumulative no. of accounts restructured having outstanding as on date

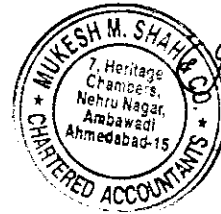
** Including MRR portion on assigned loans

Disclosure of restructured accounts as required by the NBFC Master Directions issued by RBI:

For the year ended 31 March 2024

Type of Restructuring - others*		Asset classification				Total
		Standard	Sub-Standard	Doubtful	Loss	
Restructured Accounts as on April 1 of the FY (opening figures)	No. of borrowers	-	1	-	-	1
	Amount outstanding	-	0.10	-	-	0.10
	Provision thereon #	-	0.03	-	-	0.03
Fresh restructuring during the year	No. of borrowers	-	-	-	-	-
	Amount outstanding	-	-	-	-	-
	Provision thereon #	-	-	-	-	-
Upgradations to restructured standard category during the FY	No. of borrowers	-	-	-	-	-
	Amount outstanding	-	-	-	-	-
	Provision thereon #	-	-	-	-	-
Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of borrowers	-	-	-	-	-
	Amount outstanding	-	-	-	-	-
	Provision thereon #	-	-	-	-	-
Downgradations of restructured accounts during the FY	No. of borrowers	-	-	-	-	-
	Amount outstanding	-	-	-	-	-
	Provision thereon #	-	-	-	-	-
Write-offs / Settlements / Recoveries of restructured accounts during the FY	No. of borrowers	-	1	-	-	1
	Amount outstanding	-	(0.09)	-	-	(0.09)
	Provision thereon #	-	(0.03)	-	-	(0.03)
Restructured Accounts as on March 31 of the FY (closing figures)	No. of borrowers	-	1	-	-	1
	Amount outstanding	-	0.02	-	-	0.02
	Provision thereon #	-	-	-	-	-

* Represent amount less than 50,000



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FA FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

(₹ In Crores)

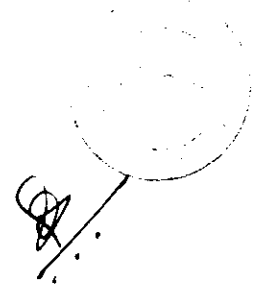
Disclosure of restructured accounts as required by the NBFC Master Directions issued by RBI:

For the year ended 31 March 2023

Type of Restructuring - others*		Asset classification				Total
		Standard	Sub-Standard	Doubtful	Loss	
Restructured Accounts as on April 1 of the FY (opening figures)	No. of borrowers	-	1	-	-	1
	Amount outstanding	-	0.25	-	-	0.25
	Provision thereon ‡	-	0.05	-	-	0.05
Fresh restructuring during the year	No. of borrowers	-	-	-	-	-
	Amount outstanding	-	-	-	-	-
	Provision thereon ‡	-	-	-	-	-
Upgradations to restructured standard category during the FY	No. of borrowers	-	-	-	-	-
	Amount outstanding	-	-	-	-	-
	Provision thereon ‡	-	-	-	-	-
Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of borrowers	-	-	-	-	-
	Amount outstanding	-	-	-	-	-
	Provision thereon ‡	-	-	-	-	-
Downgradations of restructured accounts during the FY	No. of borrowers	-	-	-	-	-
	Amount outstanding	-	-	-	-	-
	Provision thereon ‡	-	-	-	-	-
Write-offs / Settlements / Recoveries of restructured accounts during the FY	No. of borrowers	-	1	-	-	1
	Amount outstanding	-	(0.15)	-	-	(0.15)
	Provision thereon ‡	-	(0.02)	-	-	(0.02)
Restructured Accounts as on March 31 of the FY (closing figures)	No. of borrowers	-	1	-	-	1
	Amount outstanding	-	0.10	-	-	0.10
	Provision thereon ‡	-	0.03	-	-	0.03

* Since the disclosure of restructured advance account pertains to section 'Others', the first two sections, namely, 'Under CDR Mechanism' and 'Under SME Debt Restructuring Mechanism' as per format prescribed in the guidelines are not included above.

‡ Provisions considered as per ECL.



IFAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2024

(₹ In Crores)

51 Disclosures required in terms of Annexure VII of the Master Direction - Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated 19 October 2023 (updated as on 21 March 2024) on Disclosures in Financial Statements- Notes to Accounts of NBFCs are mentioned as below:

A) Exposure

1) Exposure to real estate sector

Category	As at 31 March 2024	As at 31 March 2023
<i>i) Direct exposure</i>		
a) Residential Mortgages – Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure would also include non-fund based (NFB) limits.	-	-
b) Commercial Real Estate – Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multifamily residential buildings, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits.	11.49	21.30
c) Investments in Mortgage-Backed Securities (MBS) and other securitized exposures –		
i. Residential	-	-
ii. Commercial Real Estate	-	-
ii) Indirect Exposure Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.	185.05	107.50
Total Exposure to Real Estate Sector	196.54	128.80

2) Exposure to capital market

Particulars	As at 31 March 2024	As at 31 March 2023
i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt *	6.14	4.68
ii) Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds	-	-
iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	-	-
iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances	-	-
v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	-	-
vi) Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	-	-
vii) Bridge loans to companies against expected equity flows / issues	-	-
viii) Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
ix) Financing to stockbrokers for margin trading	-	-
x) All exposures to Alternative Investment Funds:		
(i) Category I	-	-
(ii) Category II	2.36	38.97
(iii) Category III	-	-
Total exposure to capital market	8.50	43.65

* Excluding investment in unlisted subsidiaries



FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2024

(₹ In Crores)

A) Exposure (continued)

3) Sectoral exposure

Sectors	As at 31 March 2024			As at 31 March 2023		
	Total Exposure*	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure*	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	1,000.48	36.58	3.66%	674.82	18.11	2.68%
2. Industry						
i) Manufacturere	422.36	9.18	2.17%	270.25	8.54	3.16%
Total of Industry	422.36	9.18	2.17%	270.25	8.54	3.16%
3. Services						
i) Transport Operators	498.20	28.76	5.77%	228.18	13.45	5.89%
ii) Retail Trade	2,578.00	86.48	3.35%	2,117.48	82.85	3.91%
iii) NBFCs	3,274.70	10.09	0.31%	2,964.39	10.31	0.35%
Others	843.52	31.98	3.79%	655.85	30.78	4.69%
Total of Services	7,194.43	157.30	2.19%	5,965.89	137.38	2.30%
4. Personal Loans						
Others	626.27	24.24	3.87%	421.62	9.90	2.35%
Total of Personal Loans	626.27	24.24	3.87%	421.62	9.90	2.35%

* Includes on balance sheet and off-balance sheet exposure

* The above classification also includes balance of spread receivable on assigned portfolio. (Refer note 10)

4) Intra-group exposures

	As at 31 March 2024	As at 31 March 2023
Total amount of intra-group exposures	61.55	46.55
Total amount of top 20 intra-group exposures	61.55	46.55
Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers	0.83%	0.77%

5) Unhedged foreign currency exposure

	As at 31 March 2024	As at 31 March 2023
Unhedged foreign currency exposure	-	-



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MAS FINANCIAL SERVICES LIMITED

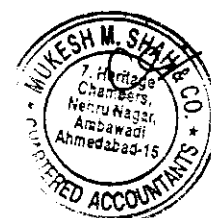
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2024

(₹ In Crores)

B) Related Party Disclosure

Sr. No.	Nature of relationship (where there are transactions)
1	Subsidiary MAS Rural Housing & Mortgage Finance Limited MASFIN Insurance Broking Private Limited
2	Directors Mr. Kamlesh C. Gandhi (Chairman and managing director) Mrs. Darshana S. Pandya (Director and chief executive officer) Mr. Balabhaskaran Nair (Independent director) (retired w.e.f 31 March 2024) Mr. Umesh Shah (Independent director) Mr. Chetanbhai Shah (Independent director) (retired w.e.f 31 March 2024) Mr. Narayanan Sadanandan (appointed w.e.f 21 June 2023) Mrs. Daksha Shah (Independent director)
3	Key management personnel ("KMP") Mr. Ankit Jain (Chief financial officer) Miss. Riddhi Bhayani (Compliance Officer)
4	Relatives of Directors Mrs. Shweta K. Gandhi (relative of Director) Mr. Kamlesh C. Gandhi (As Executor of will of Late Mr. Mukesh C. Gandhi, relative of KMP) Mr. Dhvani K. Gandhi (relative of Director) Mr. Saumil D. Pandya (relative of Director) Ms. Dhriti K. Gandhi (relative of Director) Pauravi Umesh Shah (relative of Director)
5	Other related parties Praruhna Marketing Private Limited (Entity related to Director) Anamaya Capital LLP (Entity related to Director) Umesh Rajanikant Shah HUF (Entity related to Director)

Related Party	Items	Outstanding at the year end / transaction during the year	
		As at 31 March 2024	As at 31 March 2023
Subsidiaries	Borrowings	-	-
	Deposits	-	-
	Placement of deposits	-	-
	Advances	-	-
	Investments (Maximum during the year 31st March 2024 :61.55 and 31st March 2023 :46.55)	61.55	46.55
	Purchase of fixed/other assets	-	-
	Sale of fixed/other assets	-	-
	Interest paid	-	-
	Interest received	-	-
	Dividend paid	-	-
	Expenditure reimbursed	1.04	-
	Others	1.50	1.48
	64.09	48.03	
Key Management Personnel	Borrowings	-	-
	Deposits	-	-
	Placement of deposits	-	-
	Advances	-	-
	Investments	-	-
	Purchase of fixed/other assets	-	-
	Sale of fixed/other assets	-	-
	Interest paid	-	-
	Interest received	-	-
	Remuneration (including bonus)	0.59	0.50
	Dividend paid	-	-
	Others	-	-
	0.59	0.50	



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MIAS FINANCIAL SERVICES LIMITED

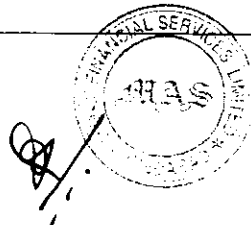
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2024

(₹ In Crores)

B) Related Party Disclosure (Continued)

Related Party	Items	Outstanding at the year end / transaction during the year	
		As at 31 March 2024	As at 31 March 2023
Directors	Borrowings	-	-
	Deposits	-	-
	Placement of deposits	-	-
	Advances	-	-
	Investments	-	-
	Purchase of fixed/other assets	-	-
	Sale of fixed/other assets	-	-
	Interest paid	-	-
	Interest received	-	-
	Remuneration (including bonus) (Net of Cross Charges)	7.19	5.74
	Dividend paid	3.09	2.26
Sitting fees	0.34	0.09	
Others	-	-	
		10.62	8.09
Relatives of Director	Borrowings	-	-
	Deposits	-	-
	Placement of deposits	-	-
	Advances	-	-
	Investments	-	-
	Purchase of fixed/other assets	-	-
	Sale of fixed/other assets	-	-
	Interest paid	-	-
	Interest received	-	-
	Remuneration (including bonus)	1.22	0.95
	Dividend paid	15.79	11.56
Others	-	-	
		17.01	12.51
Others Related Parties	Borrowings	-	-
	Deposits	-	-
	Placement of deposits	-	-
	Advances	-	-
	Investments	-	-
	Purchase of fixed/other assets	-	-
	Sale of fixed/other assets	-	-
	Interest paid	-	-
	Interest received	-	-
	Dividend paid	0.69	0.50
	Others	-	-
		0.69	0.50
Total of above	Borrowings	-	-
	Deposits	-	-
	Placement of deposits	-	-
	Advances	-	-
	Investments (Maximum during the year 31st March 2024 :61.55 and 31st March 2023 :46.55)	61.55	46.55
	Purchase of fixed/other assets	-	-
	Sale of fixed/other assets	-	-
	Interest paid	-	-
	Interest received	-	-
	Remuneration (including bonus)	9.00	7.19
	Dividend paid	19.57	14.32
	Sitting fees	0.34	0.09
	Expenditure reimbursed	1.04	-
Others	1.50	1.48	
		93.00	69.63

* Represents amount less than ₹ 50,000



PLAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2024

(₹ In Crores)

C) Disclosure of complaints

1) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

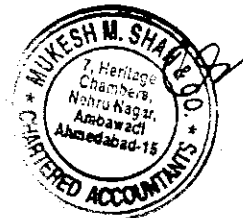
Sr No	Particulars	As at 31 March 2024	As at 31 March 2023
Complaints received by the NBFC from its customers (refer note below)			
1.	Number of complaints pending at beginning of the year	14	1
2.	Number of complaints received during the year	2,729	1,193
3.	Number of complaints disposed during the year	2,739	1,180
3.1	Of which, number of complaints rejected by the NBFC	-	-
4.	Number of complaints pending at the end of the year	4	14
Maintainable complaints received by the NBFC from Office of Ombudsman			
5	Number of maintainable complaints received by the NBFC from Office of Ombudsman	76	34
5.1.	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	76	34
5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	Nil	Nil
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	Nil	Nil
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	Nil	Nil

Note: This includes total complaint received by NBFC from customers directly and from the office of Ombudsman.

C) Disclosure of complaints (Continued)

2) 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 31 March 2024					
Bureau Updation Issue	3	526	129%	3	2
Collection Calls	3	1,698	286%	-	6
Disb / Payment related	-	162	23%	1	4
EMI and Tenure	4	62	(76%)	-	2
Loan Documents related	2	2	(93%)	-	-
Loan Related	1	14	(67%)	-	-
Loan Settlement	-	56	600%	-	11
Transparency and disclosures	-	3	(40%)	-	-
Product Related	1	84	190%	-	12
Others	-	122	481%	-	-
Total	14	2,729	129%	4	37
As at 31 March 2023					
Bureau Updation Issue	-	230	995%	3	-
Collection Calls	-	440	100%	3	1
Disb / Payment related	-	132	100%	-	-
EMI and Tenure	1	255	12650%	4	-
Loan Documents related	-	30	1400%	2	2
Loan Related	-	43	330%	1	1
Loan Settlement	-	8	(43%)	-	-
Transparency and disclosures	-	5	100%	-	-
Product Related	-	29	0%	1	1
Others	-	21	250%	-	-
Total	1	1,193	2069%	14	5



FLS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2024

(₹ In Crores)

52 Information as required in terms of Paragraph 19 of the RBI Master Direction DNBR. PD. 008/03.10.119/2016-17 dated 1 September 2016 "Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 are mentioned as below:

Liabilities side :

52.1 Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid

	Year ended 31 March 2024	
	Amount outstanding	Amount overdue
(a) Debentures : Secured	645.67	-
: Unsecured (other than falling within the meaning of Public deposits*)	310.34	-
(b) Deferred credits	-	-
(c) Term loans	1,156.68	-
(d) Inter-corporate loans and borrowing	-	-
(e) Commercial paper	-	-
(f) Other loans:		
From banks	1,116.95	-
*Please see note 1 below		

52.2 Break-up of (1)(f) above (outstanding public deposits inclusive of interest accrued thereon but not paid)

(a) In the form of unsecured debentures	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
(c) Other public deposits	-	-
*Please see note 1 below		

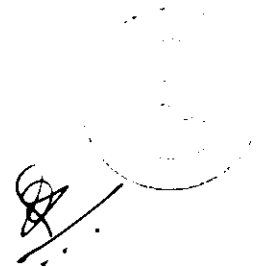
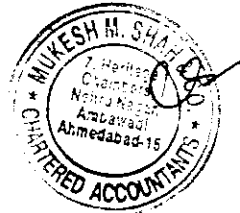
Assets side:

52.3 Break-up of loans and advances including bills receivables (other than those included in (4) below)

	Amount outstanding
(a) Secured	4,961.85
(b) Unsecured	2,303.26

52.4 Break up of leased assets and stock on hire and other assets counting towards asset financing activities

	Amount outstanding
(i) Lease assets including lease rentals under sundry debtors:	
(a) Financial lease	NA
(b) Operating lease	NA
(ii) Stock on hire including hire charges under sundry debtors :	
(a) Assets on hire	NA
(b) Repossessed assets	NA
(iii) Other loans counting towards asset financing activities	
(a) Loans where assets have been repossessed	8.16
(b) Loans other than (a) above	NA



MA\$ FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2024

(₹ In Crores)

52.5 Break-up of investments :

	Amount outstanding
Current investments :	
1 Quoted :	
(i) Shares : (a) Equity	-
(b) Preference	-
(ii) Debentures and bonds	92.29
(iii) Units of mutual funds	-
(iv) Government securities	-
(v) Others (please specify)	-
2 Unquoted :	
(i) Shares : (a) Equity	-
(b) Preference	-
(ii) Debentures and bonds	37.32
(iii) Units of mutual funds	-
(iv) Government securities	-
(v) Others (Alternate investment fund and pass through certificates)	379.60
Long term investments :	
1 Quoted :	
(i) Shares : (a) Equity	-
(b) Preference	-
(ii) Debentures and bonds	61.18
(iii) Units of mutual funds	6.14
(iv) Government securities	-
(v) Others (Alternate investment fund and pass through certificates)	130.57
2 Unquoted :	
(i) Shares : (a) Equity	35.09
(b) Preference	20.00
(ii) Debentures and bonds	19.24
(iii) Units of mutual funds	-
(iv) Government securities	-
(v) Others (refer note 9)	6.46

52.6 Borrower group-wise classification of assets financed as in 52.3 and 52.4 above:

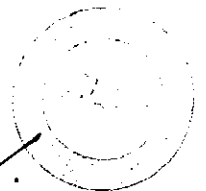
Please see Note 2 below Category	Amount net of provisions			Amount outstanding
	Secured	Unsecured	Total	
1. Related parties **				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	-	-
2. Other than related parties	4,912.81	2,222.86	7,135.67	
Total	4,912.81	2,222.86	7,135.67	

52.7 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

Please see note 3 below Category	Market value / break up or fair value or NAV	Book value (net of provisions)
1. Related parties **		
(a) Subsidiaries (refer note below)	75.48	61.55
(b) Companies in the same group	-	-
(c) Other related parties	-	-
2. Other than related parties	726.16	726.16
Total	801.64	787.71

** As per Ind AS issued by Ministry Of Corporate Affairs (refer note 3 below)

Note: Subsidiary company being unlisted, value is derived based upon the net asset value as shown in the subsidiary company balance sheet as on 31 March 2024.



INDIAN ASSET SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2024

(₹ In Crores)

52.8 Other information

	Amount outstanding
(i) Gross non-performing assets	
(a) Related parties	-
(b) Other than related parties	190.58
(ii) Net non-performing assets	
(a) Related parties	-
(b) Other than related parties	116.41
(iii) Assets acquired in satisfaction of debt	-

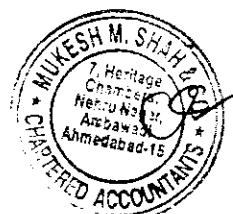
Notes:

- As defined in point xvii of paragraph 3 of Chapter - II of these Directions.
- Provisioning norms shall be applicable as prescribed in these Directions.
- All Ind AS issued by MCA 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 shall be disclosed irrespective of whether they are classified as long term (amortised cost in the case of Ind AS) or current (at fair value in the case of Ind AS) in (5) above.

53 Disclosures as required in terms of RBI notification no. DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020 on implementation of Ind AS are mentioned as below :

As at 31 March 2024

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 (5)=(3)-(4)	Provisions required as per IRACP norms*	Difference between Ind AS 109 provisions and IRACP norms (7) = (4)-(6)
1	2	3	4		6	(7) = (4)-(6)
Performing assets						
Standard	Stage 1	7,026.21	29.21	6,997.00	27.85	1.36
	Stage 2	114.62	26.06	88.56	0.45	25.61
Subtotal		7,140.83	55.26	7,085.57	28.30	26.96
Non-performing assets ("NPA")						
Substandard	Stage 3	190.58	74.17	116.41	19.45	54.72
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		190.58	74.17	116.41	19.45	54.72
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning ("IRACP") norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	Stage 1	7,026.21	29.21	6,997.00	27.85	1.36
	Stage 2	114.62	26.06	88.56	0.45	25.61
	Stage 3	190.58	74.17	116.41	19.45	54.72
Grand total		7,331.41	129.44	7,201.97	47.75	81.69



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IRAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2024

(₹ In Crores)

53 Disclosures as required in terms of RBI notification no. DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020 on implementation of Ind AS are mentioned as below: (Continued)

As at 31 March 2023

Asset classification as per RBI norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowances (provisions) as required under Ind AS 109	Net carrying amount (5)=(3)-(4)	Provisions required as per IRACP norms*	Difference between Ind AS 109 provisions and IRACP norms (7) = (4)-(6)
1	2	3	4		6	(7)
Performing assets						
Standard	Stage 1	5,708.05	30.34	5,677.71	22.78	7.56
	Stage 2	111.31	19.77	91.54	0.44	19.33
Subtotal		<u>5,819.36</u>	<u>50.11</u>	<u>5,769.25</u>	<u>23.22</u>	<u>26.89</u>
Non-performing assets ("NPA")						
Substandard	Stage 3	132.70	53.35	79.35	13.82	39.53
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		<u>132.70</u>	<u>53.35</u>	<u>79.35</u>	<u>13.82</u>	<u>39.53</u>
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning ("IRACP") norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	Stage 1	5,708.05	30.34	5,677.71	22.78	7.56
	Stage 2	111.31	19.77	91.54	0.44	19.33
	Stage 3	132.70	53.35	79.35	13.82	39.53
Grand total		<u>5,952.06</u>	<u>103.46</u>	<u>5,848.60</u>	<u>37.04</u>	<u>66.42</u>

* Computed on the value as per the IRACP norms.

The impairment allowances under Ind AS 109 made by the Company exceeds the total provision required under IRACP (including standard assets provisioning), as at 31 March 2024 and 31 March 2023 and accordingly, no amount is required to be transferred to impairment reserve.

The disclosure requirement of the policy for sales out of amortised cost business model portfolios of the Company is not applicable to the Company.



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M&S FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2024

(₹ In Crores)

54 The disclosures as required by the Master Direction - Monitoring of frauds in NBFCs issued by RBI dated 29 September 2016

There was 10 instance of fraud by customer amounting to ₹ 0.87 crores reported during the year ended 31 March 2024. (Previous year 31 March 2023 17 instances : ₹ 1.89).

55 The Company has complied with the RBI circular dated 12 November 2021 - "Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances - Clarifications". On 15 February 2022, RBI allowed deferment till 30 September 2022 of Para 10 of this circular pertaining to upgrade of Non performing accounts. However, the Company has not opted for this deferment.

56 Disclosure as per RBI notification no. RBI/2022-23/29 DOR.CRE.REC.No.25/03.10.001/2022-23 on Loans and Advances – Regulatory Restrictions - NBFCs

Loans to Directors, Senior Officers and relatives of Directors

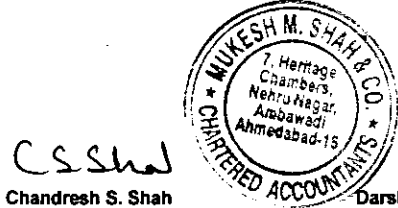
Particulars	As at	As at
	31 March 2024	31 March 2023
Directors and their relatives	-	-
Entities associated with directors and their relatives	-	-
Senior Officers and their relatives	-	0.01

57 Figures of previous year has been regrouped / reclassified, wherever necessary, to correspond with the figures of the current year.

In terms of our report of even date attached

For **Mukesh M. Shah & Co**
Chartered Accountants
Firm's Registration No: 106625W

For and on behalf of the Board of Directors of
M&S Financial Services Limited



C S Shah
Chandresh S. Shah
Partner
Membership No: 042132

Darshana S. Pandya
Darshana S. Pandya
(Director & Chief Executive Officer)
(DIN - 07610402)

Kamlesh C. Gandhi
Kamlesh C. Gandhi
(Chairman & Managing Director)
(DIN - 00044852)

Riddhi B. Bhayani
Riddhi B. Bhayani
(Company Secretary & Compliance Officer)
(Membership No: A41206)

Ankit Jain
Ankit Jain
(Chief Financial Officer)

Ahmedabad
24 April 2024

Ahmedabad
24 April 2024

INDEPENDENT AUDITORS' REPORT

To the Members of MAS Financial Services Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of MAS Financial Services Limited ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprises of the Consolidated Balance Sheet as at March 31, 2024, and the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information ("the Consolidated 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, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year then ended.

Basis for Opinion

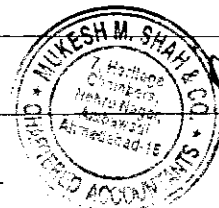
We conducted our audit of the Consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial 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 Code of Ethics. We believe that the audit evidence we have obtained by us and the other auditors in terms of their report referred to in other matters section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated 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 matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	Impairment of Loans: Charge: INR 27.01 Crores for the year ended 31 st March, 2024 Provision: INR 135.30 Crores as at 31 st March, 2024 Under Ind AS 109, Financial Instruments, allowance for loan losses is determined using expected credit loss ('ECL') estimation model. The estimation of ECL on financial	Principal Audit Procedures Procedures performed by us have been enumerated herein below: We performed end to end process walkthroughs to identify the key systems, applications and controls used in ECL processes. We tested the relevant manual (including spreadsheets, controls), general IT

Sr. No.	Key Audit Matter	Auditor's Response
	<p>instruments involves significant judgement and estimates. The key areas where we identified greater levels of management judgement and therefore increased levels of audit focus in the</p> <p>Group's estimation of ECLs are:</p> <ul style="list-style-type: none"> • Data inputs - The application of ECL model requires several data inputs. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model. • Model estimations - Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposures at Default ("EAD"). The PD and the LGD are the key drivers of estimation complexity in the ECL and as a result are considered the most significant judgmental aspect of the Group companies' modelling approach. • Economic scenarios - Ind AS 109 requires the Group Companies to measure ECLs on an unbiased forward-looking basis reflecting a range of future economic conditions. Significant management judgement is applied in determining the economic scenarios used and the probability weights applied to them especially when considering the current uncertain economic environment. • Qualitative adjustments - Adjustments to the model-driven ECL results are recorded by management to address known impairment model limitations or emerging trends as well as risks not captured by models. They represent approximately 16.10% of ECL balances as at 31 March 2024. These adjustments are inherently uncertain and significant management judgement is involved considering internal assessment of emerging forward looking economic factors and related uncertainties. The underlying forecasts and assumptions used in the estimates of impairment loss allowance are subject to uncertainties which are often outside the control of the Group. Given the size of loan portfolio relative to the balance sheet and the impact of impairment allowance on the 	<p>and application controls over key systems used in ECL process.</p> <p>Key aspects of our controls testing involved following:</p> <ul style="list-style-type: none"> • Testing the design and operating effectiveness of the key controls over the completeness and accuracy of the key inputs, data and assumptions into the Ind AS 109 impairment models. • Testing the 'Governance Framework' controls over validation, implementation and model monitoring in line with Reserve Bank of India guidance. • Testing the design and operating effectiveness of the key controls over the application of the staging criteria. • Testing key controls relating to selection and implementation of material macro-economic variables and the controls over the scenario selection and application of probability weights. • Testing management's controls over authorisation and calculation of post model adjustments and management overlays. • Testing management's controls on compliance with Ind AS 109 disclosures related to ECL. • Testing key controls operating over the information technology system in relation to loan impairment including system access and system change management, program development and computer operations. <p>Test of Details:</p> <p>Key aspects of our testing included:</p> <ul style="list-style-type: none"> • Sample testing over key inputs, data and assumptions impacting ECL calculations to assess completeness, accuracy and relevance of data and reasonableness of economic forecasts, weights, and model assumptions applied. • Model calculations testing through re-performance, where possible. • Test of details of post model adjustments, considering the size and complexity of management overlays, to assess the reasonableness of the adjustments by challenging key assumptions, inspecting the calculation methodology and tracing a sample of the data used back to source data.



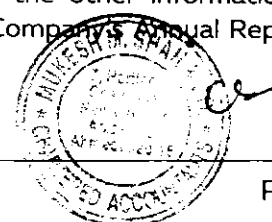
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Sr. No.	Key Audit Matter	Auditor's Response
	<p>consolidated financial statements, we have considered this as a key audit matter.</p> <p>Disclosures: The disclosures regarding the Group companies' application of Ind AS 109 are key to explaining the key judgements and material inputs to the Ind AS 109 ECL results.</p>	<p>Assessing disclosures - We assessed whether the disclosures appropriately disclose and address the uncertainty which exists when determining ECL. In addition, we assessed whether the disclosure of the key judgements and assumptions made was sufficiently clear.</p>
2	<p>Information Technology: IT Systems and controls The Group Companies' key financial accounting and reporting processes are highly dependent on the automated controls in information systems, such that there exists a risk that gaps in the IT control environment could result in the financial accounting and reporting records being materially misstated.</p> <p>IT general and application controls are critical to ensure that changes to applications and underlying data are made in an appropriate manner. Adequate controls contribute to mitigating the risk of potential fraud or errors as a result of changes to the applications and data.</p> <p>Due to the pervasive nature of role of information technology systems in financial reporting, in our preliminary risk assessment, we planned our audit by assessing the risk of a material misstatement arising from the technology as significant for the audit, hence the Key Audit Matter.</p>	<p>In course of audit, our focus was on user access management, change management, segregation of duties, system reconciliation controls and system application controls over key financial accounting and reporting systems. We performed a range of audit procedures, which included:</p> <ul style="list-style-type: none"> • Review of the report of IS Audit carried during the year by an independent firm of Chartered Accountants pertaining to IT systems general controls including access rights over applications, operating systems and databases relied upon for financial reporting. • Our other processes include: <ul style="list-style-type: none"> ○ selectively recomputing interest calculations and maturity dates; ○ Selectively re-evaluating masters updation, interface with resultant reports; ○ Testing of the system generated reports and accounting entries manually for core financial reporting matters (i.e. verification around the computer system) ○ Evaluating the design, implementation and operating effectiveness of the significant accounts-related IT automated controls which are relevant to the accuracy of system calculation, and the consistency of data transmission <p>Other areas that were independently assessed included password policies, system configurations, system interface controls, controls over changes to applications and databases.</p>

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Holding Company's Annual Report, but does



not include the consolidated 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 financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibility for the Consolidated Financial Statements

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

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated financial statements, the respective Company's management and Board of Directors of the entities included in the Group is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors 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 financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 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 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

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error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

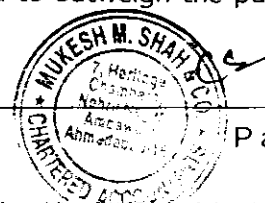
- b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Group has adequate internal financial 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 financial statements, including the disclosures, and whether the Consolidated 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 entities or business activities of the holding and its subsidiary companies to express an opinion on the consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entity included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled "Other Matter" in this audit report.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Other Matters

- a) We did not audit the financial statements of subsidiary included in the Consolidated financial statements, whose financial statements reflect [the figures reported below are before giving effect to consolidation adjustments] total assets of ₹ 499.34 Crores as at March 31, 2024, total revenues of ₹ 62.46 Crores, total net profit after tax of ₹ 7.58 Crores, total comprehensive income of ₹ 5.72 Crores and net cash inflow amounting to ₹ 33.96 Crores for the year ended on that date, as considered in the consolidated financial statements. This financial statements has been audited by other auditor whose report have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the audit report of the other auditor.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor.

Report on Other Legal and Regulatory Requirements

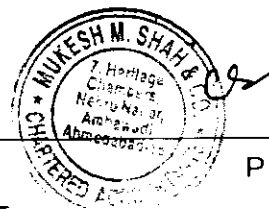
As required by section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditor on the separate financial statements of a subsidiary were audited by other auditor, as noted in the "Other matter" paragraph, we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors. The backup of the books of account and other books and papers maintained in electronic form, has been maintained on a daily basis on servers physically located in India during the year.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid Consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on March 31, 2024 from being appointed as a director in terms of section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting with reference to the financial statements of the Holding Company and its subsidiary incorporated in India and the operating effectiveness of such controls, refer to our separate report in the Annexure -A, which is based on the auditors' reports of the Holding Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of those Companies.

MUKESH M. SHAH & CO.

CHARTERED ACCOUNTANTS

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.
 - iv. (a) The respective managements of the Holding Company and its subsidiary, which are companies incorporated in India, whose financial statement have been audited under the Act, have represented to us and to the other auditors of such subsidiary, to the best of their knowledge and belief, other than as disclosed in the notes to the consolidated financial statements, 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 Holding Company or any of such subsidiary or in any other person(s) or entity(ies), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The respective Managements of the Holding Company and its subsidiary, which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiary, to the best of their knowledge and belief, other than as disclosed in the notes to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary, with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary shall, directly or indirectly, lend or invest in other person(s) or entity(ies) identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiary which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or the other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. The final dividend proposed in the previous year, declared and paid during the year by the Holding Company and subsidiary company, whose financial statements have been audited under the Act, where applicable, during the year is in accordance with Section 123 of the Act, as applicable.



MUKESH M. SHAH & CO.

CHARTERED ACCOUNTANTS

The interim dividend declared and paid during the year by the Holding Company, whose financial statements have been audited under the Act, where applicable, during the year is in accordance with Section 123 of the Act, as applicable.

As stated in notes to the consolidated financial statements, the Board of Directors of the Holding Company and subsidiary company, whose financial statements have been audited under the Act, where applicable, have proposed final dividend for the year which is subject to the approval of the members of Holding Company and Subsidiary Company at the ensuing respective Annual General Meetings. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

- vi. Based on our examination, which included test checks, the Holding Company and its subsidiary companies incorporated in India have used accounting software for maintaining books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all the relevant transactions recorded in the software except that in case of holding company and a subsidiary, audit trail feature was not enabled at database level for accounting software to log any direct data changes. Further, during the course of our audit, we and respective auditors of the above referred subsidiaries did not come across any instance of audit trail feature being tampered with in respect of such accounting software where such feature is enabled.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), is applicable from April 1, 2013, reporting under rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

- vii. 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 reports issued by us for the Company and by other auditors of its subsidiary included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports except-

Sr. No.	Name of the entity	CIN	Holding company / Subsidiary	Clause number of the CARO report which is unfavourable or qualified or adverse
1	MAS Financial Services Limited	L65910GJ1995PLCO26064	Holding Company	Clause (xi)(a)

Place: Ahmedabad
Date: April 24, 2024
UDIN: 24042132BJZWZG8914



For MUKESH M. SHAH & CO.,
Chartered Accountants
Firm Registration No.: 106625W

C S Shah
Chandresh S. Shah
Partner
Membership No.: 042132

"ANNEXURE A" TO THE AUDITORS' REPORT

Report on the Internal Financial Control clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2024, we have audited the internal financial controls over financial reporting of MAS Financial Services Limited (hereinafter referred to as "Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 internal financial controls over financial reporting of the Holding Company and its subsidiaries companies, which are companies incorporated in India based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance 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 control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies incorporated in India, in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company and its subsidiary companies, which are incorporated in India.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 financial statements.

Inherent limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matter paragraph below, the Holding company and its subsidiary companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the criteria for internal financial control over financial reporting established by the respective companies 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.

Other matter

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to a subsidiary company, which is company incorporated in India, is based solely on the corresponding report of the auditors of such company incorporated in India.

Our opinion is not modified in respect of the above matter.

Place: Ahmedabad
Date: April 24, 2024
UDIN: 24042132BJZWZG8914



For MUKESH M. SHAH & CO.,
Chartered Accountants
Firm Registration No.: 106625W

C S Shah
Chandresh S. Shah
Partner
Membership No.: 042132

M/S FINANCIAL SERVICES LIMITED

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2024

(₹ in Crores)

	Note no.	As at 31 March 2024	As at 31 March 2023
ASSETS			
Financial assets			
Cash and cash equivalents	5	212.67	238.67
Bank balance other than cash and cash equivalents	6	665.83	565.29
Trade receivables	7	6.54	4.30
Loans	8	7,719.44	6,246.24
Investments	9	726.16	791.04
Other financial assets	10	78.86	61.63
Total financial assets		9,409.50	7,907.17
Non-financial assets			
Income tax assets (net)	30	2.52	2.52
Deferred tax assets (net)	30	11.85	19.33
Property, plant and equipment	11(a)	21.23	14.66
Capital work-in-progress	11(d)	69.80	57.66
Right-of-use asset	11(c)	3.19	1.18
Intangible assets under development	11(e)	0.24	0.33
Other intangible assets	11(b)	1.01	1.03
Other non-financial assets	12	28.00	11.34
Total non-financial assets		137.84	108.05
Total assets		9,547.34	8,015.22
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Payables	13		
(I) Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises		0.03	0.13
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		21.12	14.55
(II) Other payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1.89	1.84
Debt securities	14	626.86	627.26
Borrowings (other than debt securities)	15	6,496.88	5,247.57
Subordinated liabilities	16	302.11	252.70
Other financial liabilities	17	258.36	310.34
Total financial liabilities		7,707.25	6,454.39
Non-financial liabilities			
Current tax liabilities (net)	30	4.70	2.06
Provisions	18	10.11	9.49
Other non-financial liabilities	19	6.71	4.61
Total non-financial liabilities		21.52	16.16
Total liabilities		7,728.77	6,470.55
EQUITY			
Equity share capital	20	163.99	54.66
Other equity	21	1,618.72	1,463.99
Equity attributable to the owners of the Holding Company		1,782.71	1,518.65
Non-controlling interest		35.86	26.02
Total equity		1,818.57	1,544.67
Total liabilities and equity		9,547.34	8,015.22

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

In terms of our report of even date attached

For Mukesh M Shah & Co.
Chartered Accountants
Firm's Registration No: 106625W

C S Shah

Chandresh S. Shah
Partner
Membership No: 042132

Ahmedabad
24 April 2024



Darshana S. Pandya
(Director & Chief Executive Officer)
(DIN - 07610402)

Riddhi B. Bhayani
(Company Secretary & Compliance Officer)
(Membership No: A41206)

Ahmedabad
24 April 2024

For and on behalf of the Board of Directors of
M/S Financial Services Limited

Kamlesh C. Gandhi
(Chairman & Managing Director)
(DIN - 00044852)

Ankit Jain
(Chief Financial Officer)

M/S FINANCIAL SERVICES LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS
 FOR THE YEAR ENDED 31 MARCH 2024

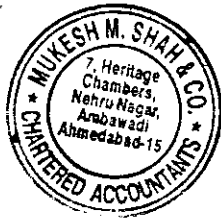
(₹ in Crores)

	Note no.	Year ended 31 March 2024	Year ended 31 March 2023
I. Revenue from operations			
Interest income	22	1,077.09	834.04
Gain on assignment of financial assets		122.32	71.47
Fees and commission income		66.48	50.90
Net gain on fair value changes	23	13.27	22.19
Total revenue from operations		1,279.16	978.60
Other income	24	6.52	2.43
Total income		1,285.68	981.05
II. Expenses			
Finance costs	25	646.71	496.01
Fees and commission expense		48.80	48.01
Impairment on financial assets	26	90.61	53.36
Employee benefits expenses	27	100.45	70.70
Depreciation, amortization and impairment	28	4.29	2.72
Others expenses	29	55.15	38.58
Total expenses		946.01	709.38
Profit before exceptional items and tax (I - II)		339.67	271.65
Exceptional items		-	-
III. Profit before tax		339.67	271.65
IV. Tax expense:			
Current tax	30	83.06	67.23
Excess provision for tax relating to prior years	30	(0.21)	(2.47)
Net current tax expense		82.85	64.76
Deferred tax expense / (credit)	30	2.81	1.07
Net tax expense		85.66	65.83
V. Profit for the year (III - IV)		254.01	205.82
VI. Other comprehensive income			
(A) Items that will not be reclassified to profit or loss:			
Re-measurement of the defined benefit liabilities		(0.51)	0.08
Income tax impact on above		0.13	(0.02)
Total (A)		(0.38)	0.06
(B) Items that will be reclassified to profit or loss:			
Loans and advances through other comprehensive Income		19.08	(24.69)
Income tax impact on above		(4.80)	6.21
Total (B)		14.28	(18.48)
Other comprehensive income (A+B)		13.90	(18.42)
VII. Total comprehensive income for the year (V + VI)		267.91	187.40
VIII. Profit for the year attributable to			
Owners of the Holding Company		251.05	203.26
Non-controlling interest		2.96	2.56
IX. Other comprehensive income attributable to			
Owners of the Holding Company		14.63	(18.34)
Non-controlling interest		(0.73)	0.42
X. Total comprehensive income attributable to			
Owners of the Holding Company		265.68	184.42
Non-controlling interest		2.23	2.98
XI. Earnings per equity share (of ₹ 10 each):	31		
Basic (₹)		15.31	12.39
Diluted (₹)		15.31	12.39

See accompanying notes to the financial statements

In terms of our report of even date attached

For Mukesh M Shah & Co.
 Chartered Accountants
 Firm's Registration No. 106625W



CSShad
 Chandresh S. Shah
 Partner
 Membership No. 042132

Ahmedabad
 24 April 2024

Darshana S. Pandya
 (Director & Chief Executive Officer)
 (DIN - 07610402)

Riddhi B. Bhayani
 (Company Secretary & Compliance Officer)
 (Membership No. A41206)

Ahmedabad
 24 April 2024

For and on behalf of the Board of Directors of
 M/S Financial Services Limited

Kamlesh C. Gaudhi
 (Chairman & Managing Director)
 (DIN - 00044852)

Ankit Jain
 (Chief Financial Officer)

MAS FINANCIAL SERVICES LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2024

(₹ in Crores)

(A) Equity share capital

Equity share of ₹ 10 each issued, subscribed and fully paid	
Restated balance at 1 April 2022	54.66
Changes in equity share capital during the year	-
Balance at 31 March 2023	54.66
Changes in Equity Share Capital due to prior period errors	-
Restated balance at 31 March 2023	54.66
Changes in equity share capital during the year	109.32
Balance at 31 March 2024	163.99

(B) Other equity

	Reserves and surplus					Other comprehensive income		Total
	Reserve u/s. 45-1C of RBI Act, 1934	Reserve fund u/s. 29-C of NHB Act, 1987	Equity component of compound financial instruments	Securities premium	Retained earnings	Equity instruments through OCI	Loans and advances through OCI	
Restated balance at 31 March 2022	211.91	4.70	0.11	426.95	537.08	* 0.00	114.50	1,295.25
Profit for the year	-	-	-	-	203.26	-	-	203.26
Re-measurement of defined benefit plans (net of taxes)	-	-	-	-	0.06	-	-	0.06
Other comprehensive income (net of taxes)	-	-	-	-	-	-	(15.17)	(15.17)
Final dividend on equity shares	-	-	-	-	(9.57)	-	-	(9.57)
Interim dividend on equity shares	-	-	-	-	(9.84)	-	-	(9.84)
Transfer to reserve u/s. 45-1C of RBI Act, 1934	40.19	-	-	-	(40.19)	-	-	-
Transfer to reserve u/s. 29-C of NHB Act, 1987	-	1.17	-	-	(1.17)	-	-	-
Restated balance at 31 March 2023	252.10	5.87	0.11	426.95	679.63	* 0.00	99.33	1,463.99
Profit for the year	-	-	-	-	251.05	-	-	251.05
Re-measurement of defined benefit plans (net of taxes)	-	-	-	-	(0.38)	-	-	(0.38)
Other comprehensive income (net of taxes)	-	-	-	-	-	-	42.02	42.02
Final Dividend on equity shares	-	-	-	-	(10.11)	-	-	(10.11)
Interim Dividend on equity shares	-	-	-	-	(16.40)	-	-	(16.40)
Transfer to reserve u/s. 45-1C of the RBI Act, 1934	49.55	-	-	-	(49.55)	-	-	-
Transfer to reserve u/s. 29-C of NHB Act, 1987	-	1.21	-	-	(1.21)	-	-	-
Effect of changes in the Group's interest	-	0.11	0.01	-	(2.28)	-	0.03	(2.13)
On issue of bonus shares	-	-	-	(109.32)	-	-	-	(109.32)
Balance at 31 March 2024	301.65	7.19	0.12	317.63	850.75	* 0.00	141.38	1,618.72

* Represents amount less than ₹ 50,000

In terms of our report of even date attached

For Mukesh M Shah & Co.

Chartered Accountants

Firm's Registration No: 106625W



C.S. Shah

Chandresh S. Shah

Partner

Membership No: 042132

Ahmedabad

24 April 2024

Darshana S. Pandya

(Director & Chief Executive Officer)

(DIN - 07610402)

Riddhi B. Bhayani

(Company Secretary & Compliance Officer)

(Membership No: A41206)

Ahmedabad

24 April 2024

For and on behalf of the Board of Directors of

MAS Financial Services Limited

Kamlesh C. Gandhi

Kamlesh C. Gandhi

(Chairman & Managing Director)

(DIN - 00044852)

Ankit Jain

Ankit Jain

(Chief Financial Officer)

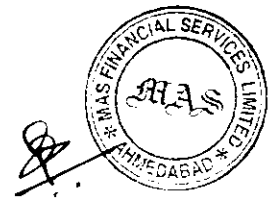
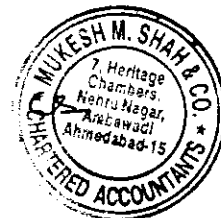
MAAS FINANCIAL SERVICES LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024

(₹ in Crores)

	Year ended 31 March 2024	Year ended 31 March 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	339.67	271.65
Adjustments for:		
Depreciation and amortisation	4.29	2.72
Finance cost	646.71	496.01
Impairment on financial assets	90.61	53.36
(Profit) / loss on sale of property, plant and equipment	(0.04)	(0.10)
Interest income	(1,077.09)	(834.04)
Gain on assignment of financial assets	(122.32)	(71.47)
Net gain on fair value changes	(2.48)	(2.83)
Net gain on sale of investments measured at amortized cost	(4.84)	(1.35)
Unrealised gain on foreign exchange	(0.06)	-
Gain on derecognition of leased asset	(0.04)	-
	<u>(465.26)</u>	<u>(357.70)</u>
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(125.59)	(86.05)
Changes in working capital:		
Adjustments for (increase)/decrease in operating assets:		
Loans	(1,380.87)	(1,424.68)
Trade receivables	(2.24)	(3.25)
Advances received against loan agreements	0.47	(6.04)
Bank balance other than cash and cash equivalents	(100.54)	20.73
Other financial asset	(6.04)	(14.85)
Other non-financial asset	(17.16)	(7.07)
Adjustments for increase/(decrease) in operating liabilities:		
Trade payable and other payable	6.52	0.38
Other financial liabilities	(16.06)	(172.99)
Other non-financial liabilities	2.10	(4.55)
Provisions (Also refer note 34)	0.62	2.32
	<u>(1,513.20)</u>	<u>(1,610.00)</u>
CASH GENERATED FROM / (USED IN) OPERATIONS	(1,638.79)	(1,696.05)
Interest income received	975.40	767.52
Interest income on Investment measured at amortised cost	76.48	48.61
Finance cost paid	(698.94)	(484.55)
Income tax paid (net)	(80.20)	(61.47)
	<u>272.74</u>	<u>270.11</u>
NET CASH FLOW GENERATED FROM / (USED IN) OPERATING ACTIVITIES (A)	(1,366.05)	(1,425.94)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipments and intangible assets, including capital advances	(22.29)	(10.95)
Proceeds from sale of property, plant and equipments and intangible assets	0.11	0.24
Purchase of investments	(2,628.30)	(2,886.72)
Redemption of investments	2,700.56	2,593.38
Profit on redemption of long term investment	-	-
	<u>50.08</u>	<u>(304.05)</u>
NET CASH FLOW GENERATED FROM / (USED IN) INVESTING ACTIVITIES (B)	50.08	(304.05)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of shares (net)	5.00	0.01
Proceeds from debt securities and borrowings	3,842.18	3,193.32
Repayments of debt securities and borrowings	(2,319.84)	(1,283.55)
Short term loans (Net)	(210.28)	(206.03)
Repayment of lease liabilities	(0.54)	(0.28)
Dividends paid	(26.55)	(19.45)
	<u>1,289.97</u>	<u>1,684.02</u>
NET CASH FLOW GENERATED FROM / (USED IN) FINANCING ACTIVITIES (C)	1,289.97	1,684.02
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(26.00)	(45.97)
Cash and cash equivalents at the beginning of the year	<u>238.67</u>	<u>284.64</u>
Cash and cash equivalents at the end of the year (refer note 1 below)	212.67	238.67

* Represents amount less than ₹ 50,000



MAS FINANCIAL SERVICES LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

(₹ in Crores)

Notes:

	As at 31 March 2024	As at 31 March 2023
1 Cash and bank balances at the end of the year comprises:		
(a) Cash on hand	0.32	0.23
(b) Balances with banks	127.06	68.36
(c) Bank deposits with original maturity of 3 months or less	85.29	170.08
Cash and cash equivalents as per the balance sheet	212.67	238.67

2 The above cash flow statement has been prepared under the "Indirect method" as set out in the Ind AS - 7 on statement of cash flows specified under section 133 of the Companies Act, 2013.

3 The Group as at 31 March 2024 has undrawn borrowing facilities amounting to ₹ 2590.78 crores that may be available for future operating activities and to settle capital commitments.

4 Change in liabilities arising from financing activities

	31 March 2023	Cash flows	Non cash changes*	31 March 2024
Debt securities	627.26	-	(0.40)	626.86
Borrowings other than debt securities	5,247.57	1,262.06	(12.75)	6,496.88
Subordinated liabilities	252.70	50.00	(0.59)	302.11
Total liabilities from financing activities	6,127.53	1,312.06	(13.74)	7,425.85
	31 March 2022	Cash flows	Non cash changes*	31 March 2023
Debt securities	362.03	266.25	(1.02)	627.26
Borrowings other than debt securities	3,939.97	1,317.49	(9.89)	5,247.57
Subordinated liabilities	137.22	120.00	(4.52)	252.70
Total liabilities from financing activities	4,439.22	1,703.74	(15.43)	6,127.53

* Non-cash changes represents the effect of amortization of transaction cost.

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


In terms of our report of even date attached

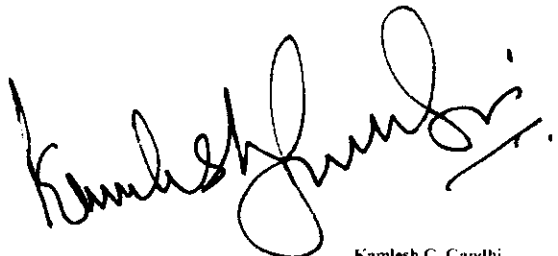
For Mukesh M Shah & Co.
Chartered Accountants
Firm's Registration No: 106625W

For and on behalf of the Board of Directors of
MAS Financial Services Limited



Chandresh S. Shah
Partner
Membership No: 042132



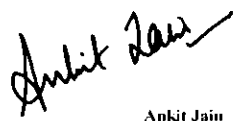

Darshana S. Pandya
(Director & Chief Executive Officer)
(DIN - 07610402)


Kamlesh C. Gandhi
(Chairman & Managing Director)
(DIN - 00044852)

Ahmedabad
24 April 2024


Riddhi B. Bhayani
(Company Secretary & Compliance Officer)
(Membership No: A41206)

Ahmedabad
24 April 2024


Ankit Jain
(Chief Financial Officer)

MAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1. A CORPORATE INFORMATION

MAS Financial Services Limited (the "Holding Company") together with its subsidiary MAS Rural Housing & Mortgage Finance Limited and MASFIN Insurance Broking Private Limited (hereinafter referred to as the "Group") are public companies domiciled in India. The Holding Company is registered as a non deposit taking non-banking finance company ("NBFC") with Reserve Bank of India ("RBI"). MAS Rural Housing & Mortgage Finance Limited is registered as a non deposit taking housing finance company ("HFC") with National Housing Bank ("NHB"). The Group is engaged in the business of providing Micro Enterprise Loans ("MEL"), Small and Medium Enterprise loans ("SME"), Two Wheeler loans ("TW"), Salaried Personal loans ("SPL"), Commercial Vehicle loans ("CV"), loans to NBFCs, housing loans, commercial property loans and project loans for real estate projects to customers especially in the segment of affordable housing in rural and urban areas. MASFIN Insurance Broking Private Limited is acting as an agent in providing insurance services. The Holding Company's equity shares are listed on two recognised stock exchanges in India i.e. BSE Limited and the National Stock Exchange of India Limited.

The Holding Company's registered office is at 6, Ground Floor, Narayan Chambers, behind Patang Hotel, Ashram Road, Ahmedabad - 380009, Gujarat, India.

B RECENT ACCOUNTING DEVELOPMENTS:

The following Indian Accounting Standards have been modified on miscellaneous issues with effect from April 1, 2023. Such changes include clarification/guidance on:

(i) Ind AS 101 – First time adoption of Ind AS – Deferred tax assets and deferred tax liabilities to be recognized for all temporary differences associated with right-of-use assets, lease liabilities, decommissioning restoration & similar liabilities.

(ii) Ind AS 107 – Financial Instruments: Disclosures – Information about the measurement basis for financial instruments shall be disclosed as part of material accounting policy information.

(iii) Ind AS 1 – Presentation of Financial Statements & Ind AS 34 – Interim Financial Reporting – Material accounting policy information (including focus on how an entity applied the requirements of Ind AS) shall be disclosed instead of significant accounting policies as part of financial statements.

(iv) Ind AS 8 – Accounting policies, changes in accounting estimate and errors – Clarification on what constitutes an accounting estimate provided.

(v) Ind AS 12 – Income Taxes – In case of a transaction which give rise to equal taxable and deductible temporary differences, the initial recognition exemption from deferred tax is no longer applicable and deferred tax liability & deferred tax asset shall be recognized on gross basis for such cases.

None of the above amendments had any material effect on the group's financial statements, except for disclosure of Material Accounting Policies instead of Significant Accounting Policies in the Financial Statements.

2. BASIS OF PREPARATION

2.1 Statement of compliance and principles of consolidation

These consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under section 133 of the Companies Act, 2013 ("the Act"), and in conformity with the accounting principles generally accepted in India and other relevant provisions of the Act. Further, the Group has complied with all the directions related to Implementation of Indian Accounting Standards prescribed for Non-Banking Financial Companies (NBFCs) in accordance with the RBI notification no. RBI/2019-20/170 DOR NBFC), CC.PD.No.109/22 10 106/2019-20 dated 13 March 2020.

Any application guidance/ clarifications/ directions issued by RBI or other regulators are implemented as and when they are issued/ applicable.

The Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity are prepared and presented in the format prescribed in the Division III of Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows".

Principles of consolidation

These consolidated financial statements are prepared on the following basis in accordance with Ind AS 110 on 'Consolidated Financial Statements' specified under Section 133 of the Act.

i) Subsidiary -

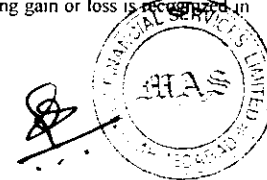
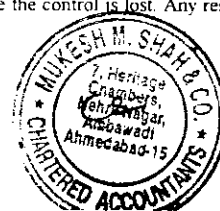
Subsidiary in an entity controlled by the Holding Company. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiary are included in the consolidated financial statements from the date on which controls commences until the date on which control ceases.

ii) Non-controlling interest ("NCI")

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

iii) Loss of control

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value on the date the control is lost. Any resulting gain or loss is recognized in profit or loss.



HAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

2. BASIS OF PREPARATION (Continued)

2.1 Statement of compliance and principles of consolidation (Continued)

iv) Transactions eliminated on consolidation

The financial statements of the Holding Company and its subsidiary used in the consolidation procedure are drawn up to the same reporting date i.e. 31 March 2024. The financial statements of the Holding Company and its subsidiary are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses. Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment. The Group follows uniform accounting policies for like transactions and other events in similar circumstances.

v) The following subsidiary company has been considered in the preparation of the consolidated financial statements:

Name of the entity	Relationship	Country of incorporation	Ownership held by	% of holding and voting power as at	
				31 March 2024	31 March 2023
HAS Rural Housing & Mortgage Finance Limited	Subsidiary company	India	HAS Financial Services Limited	60.77%	59.67%
MASFIN Insurance Broking Private Limited	Subsidiary company	India	HAS Financial Services Limited	69.00%	69.00%
MASFIN Insurance Broking Private Limited	Associate Company	India	HAS Rural Housing and Mortgage Finance Limited	30.00%	30.00%

2.2 Basis of measurement

The consolidated financial statements have been prepared on historical cost convention and on accrual basis, except for certain financial instruments which are measured at fair value as required by relevant Ind AS.

2.3 Functional and presentation currency

The consolidated financial statements are presented in Indian Rupees (₹) which is the currency of the primary economic environment in which the Group operates (the "functional currency"). Amounts in the consolidated financial statements are presented in crores rounded off to two decimal places as permitted by Schedule III to the Act, except when otherwise indicated.

2.4 Use of estimates, judgements and assumptions

The preparation of the consolidated financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised prospectively.

Judgements

In the process of applying the Group's accounting policies, management has made judgements, which have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

i) Business model assessment

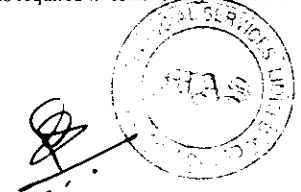
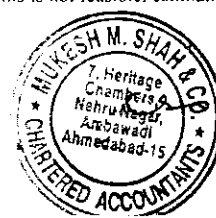
Classification and measurement of financial assets depends on the results of business model and the solely payments of principal and interest (the "SPPI") test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortised cost or FVOCI that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

ii) 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. For further details about determination of fair value please refer note 3.8 and note 4.1.



HAAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

2. BASIS OF PREPARATION (Continued)

2.4 Use of judgements, estimates and assumptions (continued)

Estimates and assumptions (Continued)

ii) Effective interest rate ("EIR") method

The Group's EIR methodology, as explained in Note 3.1(A), 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 instruments, as well as expected changes to interest rates and other fee income/ expense that are integral parts of the instrument.

iii) Impairment of financial asset

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 expected credit loss ("ECL") calculations are outputs of complex 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:

- a) 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 ("LTECL") basis
- b) Development of ECL models, including the various formulas and the choice of inputs.
- c) Determination of associations between macroeconomic scenarios and economic inputs, such as gross domestic products, lending interest rates and collateral values, and the effect on probability of default ("PD"), exposure at default ("EAD") and loss given default ("LGD").
- d) Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models.
- e) Management overlay is used in circumstances where management in its objective review and internal assessment of emerging forward looking economic factors and related uncertainties.

iv) Provisions and other contingent liabilities

The Group operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings in the ordinary course of the Group's business.

When the Group can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Group records a provision against the case. Where the outflow is considered to be probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Group takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

For further details on provisions and other contingencies refer note 3.16

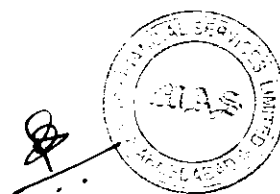
v) Provision for income tax and deferred tax assets

The Group uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax, including the amount expected to be paid / recovered for uncertain tax positions. A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Accordingly, the Group exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

vi) Defined Benefit Plans

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

These estimates and judgements are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances. Management believes that the estimates used in preparation of the consolidated financial statements are prudent and reasonable.



HA S FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

2. BASIS OF PREPARATION (Continued)

2.5 Presentation of the consolidated financial statements

The Group presents its balance sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in note 39

Financial assets and financial liability 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

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

Sr No.	Material Accounting Policies	Reference In Balance Sheet & Profit And Loss Notes
1	Recognition of interest income	22
2	Impairment of financial assets	8.1, 26
3	Property, plant and equipment	11(a)
4	Financial instrument	41
5	Intangible assets	11(e), 11(b)
6	Leases	11(e), 44
7	Retirement and other employee benefits	27, 40
8	Finance Cost	25

3.1 Recognition of interest income

A. EIR method

Under Ind AS 109, interest income is recorded using EIR method for all financial instruments measured at amortised cost, financial instrument measured at FVOCI. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Group recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the financial instrument.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through Interest income in the statement of profit and loss.

B. 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 on the net basis. If the financial asset cures and is no longer credit impaired, the Group reverts to calculating interest income on a gross basis.

3.2 Financial instrument - initial recognition

A. Date of recognition

All financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

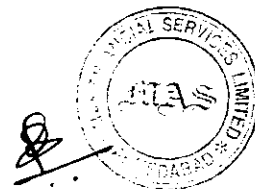
B. Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments (refer note 3.3(A)). Financial instruments are initially measured at their fair value (as defined in note 3.8), transaction costs are added to, or subtracted from this amount, except in the case of financial assets and financial liabilities recorded at FVTPL.

C. Measurement categories of financial assets and liabilities

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:

- Amortised cost
- FVOCI
- FVTPL



HAAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

3.3 Financial assets and liabilities

A. Financial assets

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's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Group's key management personnel.
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed.
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
- 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.

SPPI test

As a second step of its classification process, the Group assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'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 (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Group applies judgement and considers relevant factors such as the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

Accordingly, the financial assets are measured as follows:

i) 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 on the principal amount outstanding.

ii) Financial assets measured at FVOCI

A financial asset is measured at FVOCI 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.

iii) Financial assets at FVTPL

A financial asset which is not classified in any of the above categories are measured at FVTPL.

B. Financial liability

i) Initial recognition and measurement

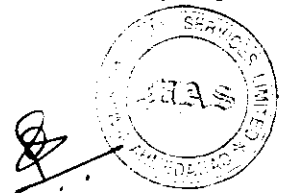
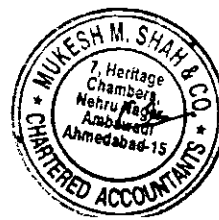
All financial liability are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liability, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

ii) Subsequent measurement

Financial liabilities are carried at amortized cost using the EIR method.

3.4 Reclassification of financial assets

The Group does not reclassify its financial assets subsequent to their initial recognition, apart from the circumstances in which the Group changes in its business model for managing those financial assets.



MA&S FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

3.5 Derecognition of financial assets and liabilities

A. Derecognition of financial assets due to substantial modification of terms and conditions

The Group derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded.

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

i) Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the contractual rights to the cash flows from the financial asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in the statement of profit and loss.

Accordingly, gain on sale or derecognition of assigned portfolio are recorded upfront in the statement of profit and loss as per Ind AS 109.

As per the guidelines of RBI, the Group is required to retain certain portion of the loan assigned to parties in its books as Minimum Retention Requirement ("MRR"). Therefore, it continue to recognise the portion retained by it as MRR.

ii) Financial liability

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

3.6 Impairment of financial assets

A. Overview of the ECL principles

In accordance with Ind AS 109, the Group uses ECL model, for evaluating impairment of financial assets together with loan commitments other than those measured at FVTPL.

ECL are measured through a loss allowance at an amount equal to:

- i.) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- ii.) Lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

Both LTECLs and 12 months ECLs are calculated on collective basis.

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

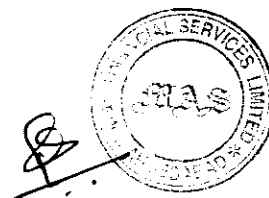
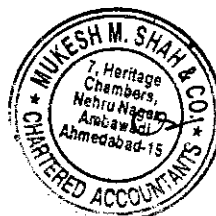
Stage 1: When loans are first recognised, the Group recognises an allowance based on 12 months ECL. Stage 1 loans includes those loans where there is no significant increase in credit risk observed and also includes facilities where the credit risk has been improved and the loan has been reclassified from stage 2.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the life time ECL.

Stage 3: Loans considered credit impaired are the loans which are past due for more than 90 days. Borrowers are also classified under stage 3 bucket under instances like fraud identification and legal proceeding. Further, stage 3 loan accounts are identified at customer level (i.e. a Stage 1 or 2 customer having other loans which are in Stage 3). The Group records an allowance for life time ECL.

There is a curing period with Stage 3 loan, where even if the DPD days are reduced by 90 days the same will not be upgraded to Stage 1 until the loan is 0 DPD.

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



HA S FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.6 Impairment of financial assets (Continued)

B. The calculation of ECLs

For retail loans

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

- PD** Probability of Default ("PD") is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.
- EAD** Exposure at Default ("EAD") is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, expected drawdowns on committed facilities and accrued interest. Further, the EAD for stage 3 retail loan is the outstanding exposure at the time loan is classified as Stage 3 for the first time
- LGD** LGD is an estimate of the loss from a transaction given that a default occurs. Under Ind AS 109, lifetime LGD's are defined as a collection of LGD's estimates applicable to different future periods

$$\% \text{ Recovery rate} = (\text{discounted recovery amount} + \text{security amount} + \text{discounted estimated recovery}) / (\text{total POS})$$

$$\% \text{ LGD} = 1 - \text{recovery rate}$$

For retail asset channel ("RAC") loan portfolio

For RAC loan portfolio, the Group has developed internal rating based approach for the purpose of ECL. The credit rating framework of the Group consists of various parameters based on which RAC loan portfolio is evaluated and credit rating is assigned accordingly.

The Group has developed its PD matrix based on the external benchmarking of various external reports, ratings & Basel norms. This PD matrix is calibrated with its historical data and major events on regular time interval in accordance with its ECL policy.

The LGD has been considered based on Basel-II Framework (International Regulatory Framework of Banks) for all the level of credit rating portfolio.

The Group has calculated PD, EAD and LGD to determine impairment loss on the portfolio of loans and discounted at an approximation to the EIR. At every reporting date, the above calculated EAD and LGDs are reviewed. While at every year end, PDs are reviewed and changes in the forward looking estimates are analysed.

The mechanics of the ECL method are summarised below:

Stage 1: The 12 months ECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Group calculates the 12 months ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-months default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the LTECLs. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.

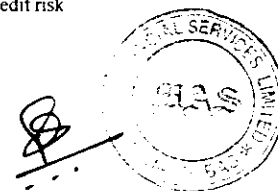
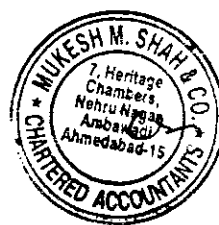
Stage 3: For loans considered credit-impaired, the Group recognises the lifetime expected credit losses for these loans. The method is similar to that for stage 2 assets, with the PD set at 100%. Credit impairment loans are determined at borrower level.

Loan commitments: When estimating ECL for undrawn loan commitments, the Group estimates the amount sanctioned that will be disbursed after the reporting date. The ECL is then calculated using PD and LGD.

Management overlay is used to adjust the ECL allowance in circumstances where management judges that the existing inputs, assumptions and model techniques do not capture all the risk factors relevant to the Group's lending portfolios. Emerging local or global macroeconomic, micro economic or political events, and natural disasters that are not incorporated into the current parameters, risk ratings, or forward looking information are examples of such circumstances. The use of management overlay may impact the amount of ECL recognized.

Significant increase in credit risk

The Group monitors all financial assets, including loan commitments issued that are subject to impairment requirements, to assess whether there has been a significant increase in credit risk since initial recognition. In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience that is available without undue cost or effort. However, when a financial asset becomes 30 days past due, the Group considers that a significant increase in credit risk has occurred and the asset is classified in Stage 2 of the impairment model, i.e. the loss allowance is measured as the lifetime ECL. Further, a stage 2 customer having other loans which are in stage 1 are considered to have significant increase in credit risk.



HAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.6 Impairment of financial assets (Continued)

B. The calculation of ECLs (Continued)

Definition of default

The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL.

Financial assets in default represent those that are at least 90 DPD in respect of principal or interest and/or where the assets are otherwise considered to be unlikely to pay, including those that are credit-impaired.

C. Loans and advances measured at FVOCI

The ECLs for loans and advances measured at FVOCI do not reduce the carrying amount of these financial assets in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount, with a corresponding charge to the statement of profit and loss. The accumulated loss recognised in OCI is recycled to the statement of profit and loss upon derecognition of the assets.

D. Forward looking information

In its ECL models, the Group relies on a broad range of forward looking macro parameters and estimated the impact on the default at a given point of time. For this purpose, the Group has used the data source of Economist Intelligence Unit.

3.7 Write-offs

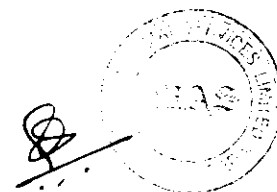
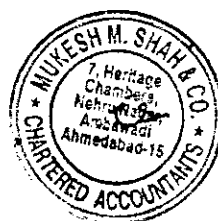
The gross carrying amount of a financial asset is written off when the chances of recoveries are remote. This is generally the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in Statement of profit and loss.

3.8 Determination of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group has taken into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements 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 described as follows:

- Level 1 financial instruments: Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the 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 financial instruments: Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads, and
- Level 3 financial instruments: Those that include one or more unobservable input that is significant to the measurement as whole.



MA S FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.9 (I) Recognition of other income

Revenue (other than for those items to which Ind AS 109 - Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115 - Revenue from Contracts with Customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within Ind ASs.

The Group recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115 :

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Group satisfies a performance obligation

A. Dividend income

Dividend income (including from FVOCI investments) is recognised when the Group's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably. This is generally when the shareholders approve the dividend.

B. Rental income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in rental income in the statement of profit and loss, unless the increase is in line with expected general inflation, in which case lease income is recognised based on contractual terms.

C. Other interest income

Other interest income is recognised on a time proportionate basis.

D. Fees and commission income

Fees and commission income such as stamp and document charges, guarantee commission, service income, due diligence & evaluation charges and portfolio monitoring fees etc. are recognised on point in time basis.

3.9 (II) Recognition of other expense

A. Finance cost

Finance costs are the interest and other costs that the Group incurs in connection with the borrowing of funds. Interest expenses are computed based on effective interest rate method. Finance costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

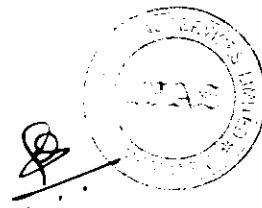
Finance costs include interest expense computed by applying the effective interest rate on respective financial instruments measured at Amortized cost. Financial instruments include bank term loans, non-convertible debentures, commercial papers, subordinated debts, perpetual debts and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Finance costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

All other finance costs are charged to the statement of profit and loss for the period for which they are incurred.

3.10 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.



JAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.11 Property, plant and equipment

Property, plant and equipment ("PPE") are carried at cost, less accumulated depreciation and impairment losses, if any. The cost of PPE comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use and other incidental expenses. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates. Subsequent expenditure on PPE after its purchase is capitalized only if it is probable that the future economic benefits will flow to the Group and the cost of the item can be measured reliably.

Depreciation is calculated using the straight line method to write down the cost of property and equipment to their residual values over their estimated useful lives as specified under schedule II of the Act. Land is not depreciated. All assets individually costing less than Rs. 5,000 are fully depreciated in the year of purchase.

The estimated useful lives are, as follows:

- i) Buildings - 60 years
- ii) Office equipment - 3 to 15 years
- iii) Furniture and fixtures - 10 years
- iv) Vehicles - 8 years

Depreciation is provided on a pro-rata basis from the date on which such asset is purchased or ready for its intended use.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

PPE is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised.

Advances paid towards the acquisition of PPE outstanding at each balance sheet date are disclosed separately under other non-financial assets. Capital work in progress comprises the cost of PPE that are not ready for its intended use at the reporting date. Capital work-in-progress is stated at cost, net of impairment loss, if any.

3.12 Intangible assets

The Group's intangible assets include the value of software. 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.

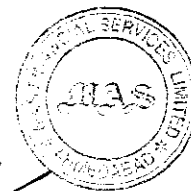
Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives (three years) using the straight-line method, and is included in depreciation and amortisation in the statement of profit and loss.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as 'Intangible assets under development'.

3.13 Impairment of non financial assets - property, plant and equipment and intangible assets

The carrying values of assets / cash generating units at the each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and if the carrying amount of these assets exceeds their recoverable amount, impairment loss is recognised in the statement of profit and loss as an expense, for such excess amount. The recoverable amount is the greater of the net selling price and value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the statement of profit and loss.



MASS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.14 Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less

Lease payments associated with short term leases or low value leases are recognised as an expense on a straight-line basis over the lease term.

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

3.15 Retirement and other employee benefits

Defined contribution plans

The Group's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans

The Group pays gratuity to the employees whoever has completed five years of service with the Group at the time of resignation / retirement. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act, 1972

The gratuity liability amount is contributed by the Group to the Life Insurance Corporation of India who administers the fund of the Group.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services

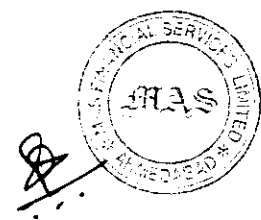
As per Ind AS 19, the service cost and the net interest cost are charged to the statement of profit and loss. Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

The cost of short-term compensated absences is accounted as under:

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.



SHAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.16 Provisions, contingent liabilities and contingent assets

A. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, the Group determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

B. Contingent liability

A possible obligation that arises from past events and 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 or; present obligation that arises from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability are disclosed as contingent liability and not provided for.

C. Contingent asset

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are neither recognised nor disclosed in the financial statements.

3.17 Taxes

A. Current tax

Current tax comprises amount of tax payable in respect of the taxable income or loss for the year determined in accordance with Income Tax Act, 1961 and any adjustment to the tax payable or receivable in respect of previous years. Current tax is the amount of tax payable on the taxable income for the period as determined in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or equity.

B. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit.

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 carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

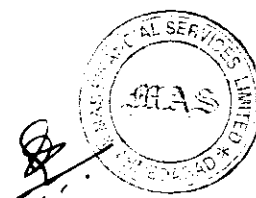
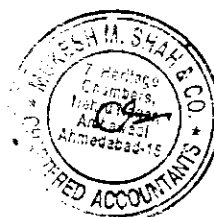
Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or equity.

Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Group has a legally enforceable right for such set off.

C. Goods and services tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the goods and services tax paid, except when the tax incurred on a purchase of assets or availing of services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.



MA&S FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.18 Earnings per share

Basic earnings per share is computed by dividing the profit after tax (i.e. profit attributable to the owners of the parent) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit after tax (i.e. profit attributable to ordinary equity holders) as adjusted for after-tax amount of dividends and interest recognised in the period in respect of the dilutive potential ordinary shares and is adjusted for any other changes in income or expense that would result from the conversion of the dilutive potential ordinary shares, by the weighted average number of equity shares considered for deriving basic earnings per share as increased by the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits, right issue and bonus shares, as appropriate.

3.19 Dividends on ordinary shares

The Group recognises a liability to make cash or non-cash distributions to equity holders of the Holding Company when the distribution is authorised and the distribution is no longer at the discretion of the Holding Company. As per the Act, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

3.20 Repossessed asset

In the normal course of business whenever default occurs, the Group may take possession of properties or other assets in its retail portfolio and generally disposes such assets through auction, to settle the outstanding debt.

3.21 (I) Foreign Currency Transactions

Transactions in foreign currencies are recorded at the rate of exchange prevailing on the date of transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency at rates of exchange on the reporting date.

Exchange difference on restatement of all other monetary items is recognised in the Statement of Profit and Loss.

(II) Derivatives

A derivative is a financial instrument or other contract with all three of the following characteristics:

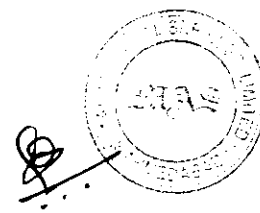
- i) Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract (i.e., the 'underlying')
- ii) It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts expected to have a similar response to changes in market factors.
- iii) It is settled at a future date.

The Group enters into derivative transactions with various counterparties to hedge its foreign currency exchange rate risks. Derivative transaction consists of hedging of foreign exchange transactions, which includes forward contracts.

Derivatives are recorded at fair value and carried as assets when their fair value is positive and as liabilities when their fair value is negative. The notional amount and fair value of such derivatives are disclosed separately. Changes in the fair value of derivatives are recognised in the Statement of Profit and Loss.

4. STANDARDS ISSUED BUT NOT YET EFFECTIVE

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.



HAAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS AT 31 MARCH 2024

(₹ in Crores)

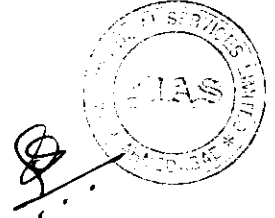
	As at 31 March 2024	As at 31 March 2023
5 Cash and cash equivalents		
Cash on hand	0.32	0.23
Balances with banks:		
In current / cash credit accounts	127.06	68.36
Bank deposits with original maturity of 3 months or less	85.29	170.08
Total cash and cash equivalents	212.67	238.67
6 Bank balance other than cash and cash equivalents		
In current accounts (refer note 1 below)	0.14	0.12
Earmarked balances with banks:		
Unclaimed dividend bank balances	0.02	0.02
Unspent CSR bank balances	5.72	5.34
In fixed deposit accounts:		
Deposits given as security against borrowings and other commitments	23.45	22.74
Bank deposits with original maturity of more than 3 months (refer note 2 below)	636.50	537.07
Total bank balance other than cash and cash equivalents	665.83	565.29
7 Trade receivables		
Trade receivables considered good-secured	-	-
Trade receivables considered good-unsecured	6.54	4.30
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
Total trade receivables	6.54	4.30

Note:

- Balance represents balance with banks in earmarked account i.e. "collection and pay-out account".
- Represents bank deposits against overdraft facility except balance amounting to ₹ 1.63 crore as regular deposit.

Notes:

- Impairment allowance recognised on trade receivables is ₹ Nil (Previous year: ₹ Nil).
- There is no due by directors or other officers of the Group or any firm or private company in which any director is a partner, a director or a member.



MA S FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS AT 31 MARCH 2024

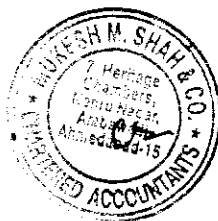
(₹ in Crores)

Trade Receivables ageing schedule as at 31 March 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	5.12	1.27	0.15	-	-	6.54
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
Disputed Trade Receivables–considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

Trade Receivables ageing schedule as at 31 March 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	4.03	0.15	0.12	-	-	4.30
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
Disputed Trade Receivables–considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-



MAAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS AT 31 MARCH 2024

(₹ in Crores)

8 Loans

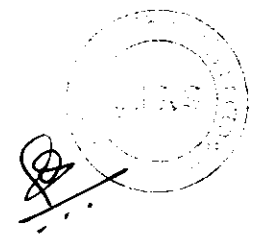
	As at 31 March 2024			As at 31 March 2023		
	At fair value through OCI	At amortised cost	Total	At fair value through OCI	At amortised cost	Total
(A) (I) Bills Receivables	-	121.07	121.07	-	82.38	82.38
Less: Impairment loss allowance	-	(0.27)	(0.27)	-	(0.53)	(0.53)
Total (A) (I)-Net	-	120.80	120.80	-	81.85	81.85
(A) (II) Term Loans - Gross	7,448.93	152.22	7,601.15	6,038.39	128.76	6,167.15
Less: Impairment loss allowance	-	(2.51)	(2.51)	-	(2.76)	(2.76)
Total (A) (II)-Net	7,448.93	149.71	7,598.64	6,038.39	126.00	6,164.39
Total (A) - Net	7,448.93	270.51	7,719.44	6,038.39	207.85	6,246.24
(B) (i) Secured by tangible assets	5,145.67	273.29	5,418.96	4,510.85	211.14	4,721.99
(ii) Unsecured	2,303.26	-	2,303.26	1,527.54	-	1,527.54
Total (B) - Gross	7,448.93	273.29	7,722.22	6,038.39	211.14	6,249.53
Less: Impairment loss allowance	-	(2.78)	(2.78)	-	(3.29)	(3.29)
Total (B) - Net	7,448.93	270.51	7,719.44	6,038.39	207.85	6,246.24
(C) (I) Loans in India						
(i) Public Sector	-	-	-	-	-	-
(ii) Private Sector	7,448.93	273.29	7,722.22	6,038.39	211.14	6,249.53
Total (C) - Gross	7,448.93	273.29	7,722.22	6,038.39	211.14	6,249.53
Less: Impairment loss allowance	-	(2.78)	(2.78)	-	(3.29)	(3.29)
Total (C) (I) - Net	7,448.93	270.51	7,719.44	6,038.39	207.85	6,246.24
(C) (II) Loans outside India	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-
Total (C) (II) - Net	-	-	-	-	-	-
Total C(I) and C(II)	7,448.93	270.51	7,719.44	6,038.39	207.85	6,246.24

Loans or advances in the nature of loans are granted to promoters, directors, KMPs, and the related parties, either severally or jointly with any other person

Particulars	As at	% to the total	As at	% to the total
	31 March 2024	Loans and Advances in the nature of loans	31 March 2023	Loans and Advances in the nature of loans
Promoter	Nil	Nil	Nil	Nil
Directors	Nil	Nil	0.13	0.00%
KMPs	Nil	Nil	Nil	Nil
Related parties	Nil	Nil	Nil	Nil

Notes:

1. The impairment on loans measured at FVOCI do not reduce the carrying amount of these financial assets in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount, with a corresponding charge to profit or loss.



HAAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS AT 31 MARCH 2024

(₹ in Crores)

8.1 An analysis of changes in the gross carrying amount of loans is given below*

	31 March 2024				31 March 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	6,028.25	128.70	135.19	6,292.14	4,632.12	108.83	106.51	4,847.46
Changes in opening credit exposures (net of repayment and excluding write off)	(4,351.55)	(65.35)	(48.93)	(4,465.83)	(3,262.82)	(36.72)	(39.43)	(3,338.97)
New assets originated (net of repayment)**	5,877.31	82.37	54.18	6,013.86	4,738.69	68.37	20.77	4,827.83
Transfers from Stage 1	(105.52)	45.59	59.93	-	(91.83)	39.23	52.60	-
Transfers from Stage 2	6.82	(50.80)	43.98	-	11.85	(50.94)	39.09	-
Transfers from Stage 3	1.33	0.36	(1.69)	-	0.41	-	(0.41)	-
Amounts written off	(0.13)	(1.58)	(47.32)	(49.03)	(0.17)	(0.07)	(43.94)	(44.18)
Gross carrying amount closing balance	7,456.51	139.29	195.34	7,791.14	6,028.25	128.70	135.19	6,292.14

* The above classification also includes balance of spread receivable on assigned portfolio. (Refer note no. 10)

** New assets originated are those assets which have either remained in stage 1 or have become stage 2 or 3 at the year end.

8.2 Reconciliation of ECL balance is given below:

	31 March 2024				31 March 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	31.82	22.37	54.10	108.29	46.38	13.38	45.19	104.95
Changes in opening credit exposures (net of repayment and excluding write off)	2.98	2.90	(14.07)	(8.19)	(11.12)	4.50	(10.32)	(16.94)
New assets originated (net of repayment)	24.14	18.22	19.13	61.49	25.68	13.15	6.90	45.73
Transfers from Stage 1	(28.91)	9.58	19.33	-	(29.17)	6.56	22.61	-
Transfers from Stage 2	0.08	(23.31)	23.23	-	0.05	(15.18)	15.13	-
Transfers from Stage 3	* 0.00	0.05	(0.05)	-	* 0.00	-	* 0.00	-
Amounts written off	* 0.00	(0.25)	(26.04)	(26.29)	-	(0.04)	(25.41)	(25.45)
ECL allowance - closing balance	30.11	29.56	75.63	135.30	31.82	22.37	54.10	108.29

* Represents amount less than ₹ 50,000



MAAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS AT 31 MARCH 2024

(₹ in Crores)

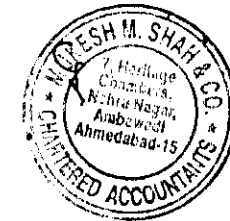
The contractual amount outstanding on loans that have been written off during the year, but were still subject to enforcement activity is ₹ 49.03 crores at 31 March 2024 (31 March 2023: ₹ 44.18 crores).

The increase in ECL was driven by an increase in the gross amount of the portfolio, movements between stages as a result of increase in credit risk, change in probability of default, macro economic factors and management overlays due to estimated macro-economic factors. The extent to which macro-economic factors will impact current estimates of ECL is uncertain at this point of time. The Group has conducted a qualitative assessment and has considered forecasted macro economic factors and a higher probability of default to factor on impairment allowances. For further details, refer note 43.

8.3 Credit quality of loan assets

The table below shows the gross carrying amount of loans based on the Group's internal grading model and year-end stage classification of loans. The amounts presented are gross of impairment allowances. Details of the Group's internal grades are explained in note 43.1.

Internal grade	31 March 2024				31 March 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Performing								
High quality assets	7,456.49	-	-	7,456.49	6,028.25	-	-	6,028.25
Quality assets	-	68.82	-	68.82	-	85.95	-	85.95
Standard assets	-	70.48	-	70.48	-	42.75	-	42.75
Non- performing								
Sub standard assets	-	-	97.23	97.23	-	-	45.96	45.96
Low quality assets	-	-	98.12	98.12	-	-	89.23	89.23
Total	7,456.49	139.30	195.35	7,791.14	6,028.25	128.70	135.19	6,292.14



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AAAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS AT 31 MARCH 2024

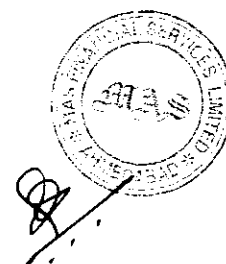
(₹ in Crores)

9 Investments

	As at 31 March 2024			As at 31 March 2023		
	At amortised cost	At fair value through P&L	Total	At amortised cost	At fair value through P&L	Total
Investments						
Alternative investment funds	-	2.36	2.36	-	38.97	38.97
Pass through certificates under securitization transactions	507.81	-	507.81	527.76	-	527.76
Market linked debentures	-	50.95	50.95	-	188.25	188.25
Non - convertible debentures	159.08	-	159.08	31.62	-	31.62
Mutual fund units	-	6.14	6.14	-	4.68	4.68
Total - Gross (A)	666.89	59.45	726.34	559.38	231.90	791.28
(i) Investments outside India	-	-	-	-	-	-
(ii) Investments in India	666.89	59.45	726.34	559.38	231.90	791.28
Total (B)	666.89	59.45	726.34	559.38	231.90	791.28
Less: Allowance for impairment loss (C)	(0.18)	-	(0.18)	(0.24)	-	(0.24)
Total - Net D= (A)-(C)	666.71	59.45	726.16	559.14	231.90	791.04

10 Other financial assets

	As at 31 March 2024	As at 31 March 2023
Security deposits	1.72	1.17
Derivative financial instruments	2.02	-
Interest accrued but not due on investments	2.75	2.43
Spread receivable on assigned portfolio	68.92	42.61
Advances to dealers	3.45	7.63
Other Receivable	-	7.79
Total other financial assets	78.86	61.63



HAAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS AT 31 MARCH 2024

(₹ in Crores)

11 Property, plant and equipment and intangible assets

Nature of Assets	Property, plant and equipment (a)				Intangible assets (b)			
	Buildings	Office equipment	Furniture and fixtures	Vehicles	Total	Software	Other intangibles	Total
Cost								
At 31 March 2022	6.68	5.15	3.54	3.89	19.26	0.62	* 0.00	0.62
Additions	-	1.85	1.26	0.95	4.04	1.04	-	1.04
Disposals	-	-	-	0.42	0.42	-	-	-
At 31 March 2023	6.68	6.98	4.80	4.42	22.88	1.66	* 0.00	1.66
Additions	-	3.45	2.35	3.94	9.74	0.50	-	0.50
Disposals	-	0.05	-	1.02	1.07	-	-	-
At 31 March 2024	6.68	10.38	7.15	7.34	31.55	2.16	* 0.00	2.16
Depreciation/amortisation								
At 31 March 2022	0.55	2.74	1.17	1.87	6.33	0.40	* 0.00	0.40
Depreciation amortization charge	0.11	0.98	0.52	0.56	2.17	0.23	* 0.00	0.23
Disposal	-	* 0.00	-	0.28	* 0.28	-	-	-
At 31 March 2023	0.66	3.72	1.69	2.15	8.22	0.63	* 0.00	0.63
Depreciation amortization charge	0.11	1.52	0.81	0.66	3.10	0.52	-	0.52
Disposal	-	0.04	-	0.96	1.00	-	-	-
At 31 March 2024	0.77	5.20	2.50	1.85	10.32	1.15	* 0.00	1.15
Net block value:								
At 31 March 2023	6.02	3.26	3.11	2.27	14.66	1.03	* 0.00	1.03
At 31 March 2024	5.91	5.18	4.65	5.49	21.23	1.01	* 0.00	1.01

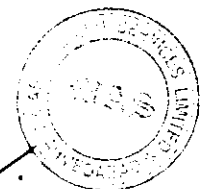
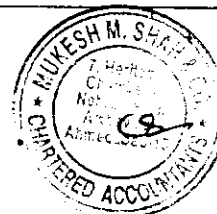
* Represents amount less than ₹ 50,000

Note: No revaluation of any class of asset is carried out during the year.

11 (c) Right-of-use Asset

The details of the right-of-use asset held by the Group is as follows:

Office Premises	
At 31 March 2022	3.18
Additions	0.89
Disposals	-
At 31 March 2023	4.07
Additions	3.50
Disposals	1.59
At 31 March 2024	5.98
Depreciation	
At 31 March 2022	2.57
Additions	0.32
Disposals	* 0.00
At 31 March 2023	2.89
Additions	0.67
Disposals	0.77
At 31 March 2024	2.79
Net Block Value:	
At 31 March 2023	1.18
At 31 March 2024	3.19



MAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS AT 31 MARCH 2024

(₹ in Crores)

11 (d) Capital work in progress

Capital work in progress includes borrowing costs related to development of building amounted to ₹ 1.01 crores (31 March 2023: ₹ 1.24 crores). Finance costs are capitalised at MCLR + 1.15% p.a. - presently 10.30% p.a. for the year ended 31 March 2024.

Capital work-in-progress		
At 31 March 2022		52.04
Additions		5.62
Disposals		-
At 31 March 2023		57.66
Additions		12.14
Disposals		-
At 31 March 2024		69.80

Capital work in progress ageing schedule

Capital work in progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March 2024					
Projects in progress	12.14	5.72	1.91	50.03	69.80
Projects temporarily suspended	-	-	-	-	-
As at 31 March 2023					
Projects in progress	5.72	1.91	1.81	48.22	57.66
Projects temporarily suspended	-	-	-	-	-

Capital work in progress completion schedule for projects where completion is overdue

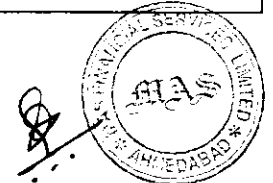
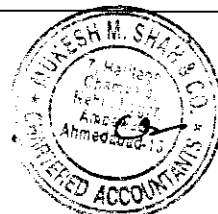
Capital work in progress	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March 2024					
MAS headquarters	-	-	-	69.80	69.80
As at 31 March 2023					
MAS headquarters	-	-	-	57.66	57.66

11 (e) Intangible assets under development

Intangible assets under development		
At 31 March 2022		0.04
Additions		0.33
Disposals		0.04
At 31 March 2023		0.33
Additions		0.24
Disposals		0.33
At 31 March 2024		0.24

Intangible assets under development ageing schedule

Intangible assets under development	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March 2024					
Projects in progress	0.24	-	-	-	0.24
Projects temporarily suspended	-	-	-	-	-
As at 31 March 2023					
Projects in progress	0.33	-	-	-	0.33
Projects temporarily suspended	-	-	-	-	-



MAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS AT 31 MARCH 2024

(₹ in Crores)

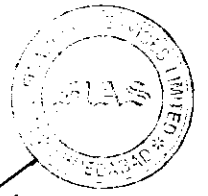
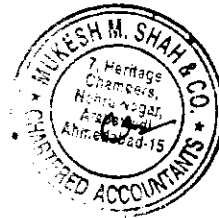
	As at 31 March 2024	As at 31 March 2023
12 Other non-financial assets		
Prepaid expenses	14.36	4.48
Advances to employees	0.19	0.13
Re-possessed assets	8.16	3.54
Balance with Government Authorities	2.39	1.67
Capital advances	0.03	0.02
Gratuity fund [refer note 40(b)]	1.59	0.69
Other advances	1.28	0.81
Total	28.00	11.34

13 Payables

(a) Trade payables		
(i) total outstanding dues of micro enterprises and small enterprises	0.03	0.13
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	21.12	14.55
(b) 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	1.89	1.84
Total	23.04	16.52

Trade Payables aging schedule

Particulars	Outstanding for following periods from due date of payment			Total
	Less than 1 year	1-2 years	More than 3 years	
As at 31 March 2024				
(i) MSME	0.03	-	-	0.03
(ii) Others	21.12	-	-	21.12
(iii) Disputed dues - MSME	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-
As at 31 March 2023				
(i) MSME	0.13	-	-	0.13
(ii) Others	14.55	-	-	14.55
(iii) Disputed dues - MSME	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-



FA S FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS AT 31 MARCH 2024

(₹ in Crores)

Micro, Small and Medium Enterprises:

Based on and to the extent of the information received by the Group from the suppliers during the year regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the total outstanding dues of Micro and Small enterprises, which are outstanding for more than the stipulated period and other disclosures as per the Micro, Small and Medium Enterprises Development Act, 2006 (hereinafter referred to as "the MSMED Act") are given below:

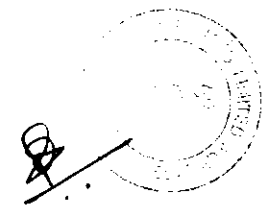
	As at 31 March 2024	As at 31 March 2023
(a) Dues remaining unpaid to any supplier at the year end		
- Principal	-	0.13
- Interest on above	-	-
(b) Interest paid in terms of Section 16 of the MSMED Act along with the amount of payment made to the supplier beyond the appointed day during the year		
- Principal paid beyond the appointed date	-	-
- Interest paid in terms of Section 16 of the MSMED Act	-	-
(c) Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year	-	-
(d) Amount of interest accrued and remaining unpaid	-	-
(e) Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises	-	-

14 Debt securities (at amortised cost) (refer note 14.1)

	As at 31 March 2024	As at 31 March 2023
Secured non-convertible debentures	531.25	31.25
Secured Market Linked debenture	100.00	600.00
Less: Unamortised borrowing costs	(4.39)	(3.99)
Total	626.86	627.26
Debt securities in India	626.86	627.26
Debt securities outside India	-	-
Total	626.86	627.26

15 Borrowings (other than debt securities) (at amortised cost)

(a) Term loans (refer note no. 15.1)		
(i) from banks		
-In Indian Rupees	3,544.32	3,170.77
-In Foreign Currency [refer note 43.3(b)]	602.18	-
(ii) from NHB	22.36	28.53
(iii) from other parties (financial institutions)	1,254.76	751.98
(b) Loans repayable on demand from banks-cash credit/overdraft (Refer note below)	-	20.35
(c) Short term loans from banks (Refer note below)	1,114.50	1,304.43
Less: Unamortised borrowing costs	(41.24)	(28.49)
Total	6,496.88	5,247.57
Secured	6,471.97	5,222.70
Unsecured	24.91	24.87
Total	6,496.88	5,247.57
Borrowings in India	6,496.88	5,247.57
Borrowings outside India	-	-
Total	6,496.88	5,247.57



MAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS AT 31 MARCH 2024

(₹ in Crores)

Note:

For cash credit / Overdraft and short term loans

a) Cash credit / short term loans from banks are secured by hypothecation of movable assets of the Group and goods covered under hypothecation ("HP") agreements / Loan cum HP agreements and book debts, receivables, loans and advances and entire portfolio outstanding (except specific portfolio generated from various term loans sanctioned by various banks/financial institutions on an exclusive basis) and equitable mortgage/negative lien by deposit of title deeds on some of the Group's immovable properties, as collateral security. The loans are also guaranteed by Mr. Kamlesh Chumanlal Gandhi, Mrs. Shweta Kamlesh Gandhi and Legal heirs of Late Mr. Mukesh Chimanlal Gandhi. Overdraft loans are secured against fixed deposits placed.

b) Interest rate range

Interest rate ranges from 8.75 % p.a. to 10.85 % p.a. as at 31 March 2024.

Interest rate ranges from 4.00 % p.a. to 11.55 % p.a. as at 31 March 2023.

The Group has not defaulted in repayment of borrowings and interest.

The Group has borrowings from banks or financial institutions on the basis of security of current assets and the quarterly returns or statements of current assets filed by the Group with banks or financial institutions are in agreement with the books of accounts of the Group.

The carrying amount of financial assets which is hypothecated against all secured borrowing inclusive of margin requirement ranging from 1.10 times to 1.25 times is amounting to ₹ 7972.01 crores (31 March 2023: ₹ 6631.46 crores).

16 Subordinated liabilities (at amortised cost)

Unsecured debentures (refer note no. 16.1)

Less: Unamortised borrowing costs

Total

Subordinated liabilities in India

Subordinated liabilities outside India

Total

As at
31 March 2024

As at
31 March 2023

310.00

260.00

(7.89)

(7.30)

302.11

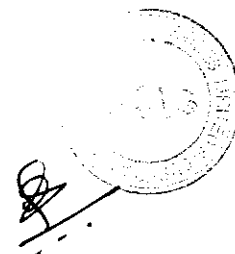
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MAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

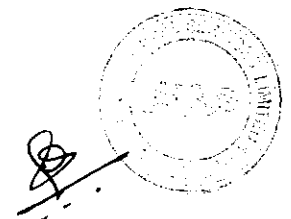
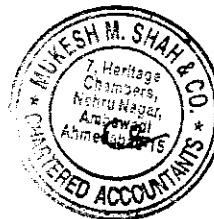
AS AT 31 MARCH 2024

(₹ in Crores)

14 Debt securities (at amortised cost) (Continued)

14.1 Details of terms of redemption/repayment in respect of debt securities:

	As at 31 March 2024	As at 31 March 2023	Terms of redemption/ repayment	Security	
Debentures					
500 rated, listed, redeemable, senior, secured, non-convertible debentures of ₹ 10,00,000 each	6.25	31.25	Coupon Rate: Benchmark Rate +173 bps Coupon Payment frequency : Monthly and on Maturity Principal Payment frequency: Quarterly Tenor : 2 years	Secured by a first ranking Hypothecation charge over Assets	exclusive
10,000, secured, listed, rated, unsubordinated, redeemable, transferable, non-convertible debentures ₹1,00,000 each	100.00	-	Coupon Rate: Benchmark Rate +271 bps Coupon Payment frequency : Quarterly and on Maturity Principal Payment frequency: Bullet Payment at the end of the tenor Tenor : 3 years	Secured by a first ranking Hypothecation charge over Assets	exclusive
10000, rated, listed, senior, secured, redeemable, taxable, transferable, non-convertible debentures of ₹1,00,000 each	100.00	-	Coupon Rate: Fixed Coupon Payment frequency : Monthly and on Maturity Principal Payment frequency: Bullet Payment at the end of the tenor Tenor : 1 year 6 months	Secured by a first ranking Hypothecation charge over Assets	exclusive
12,500, fully paid, senior, secured, listed, rated, taxable, redeemable, transferable, non-convertible debentures ₹1,00,000 each	125.00	-	Coupon Rate: Benchmark Rate +266 bps Coupon Payment frequency : Yearly and on Maturity Principal Payment frequency: Bullet Payment at the end of the tenor Tenor : 1 year 6 months	Secured by a first ranking Hypothecation charge over Assets	exclusive
20,000 rated, listed, senior, secured, redeemable, transferable, taxable, non-convertible debentures of ₹1,00,000 each	200.00	-	Coupon Rate: Benchmark rate Coupon Payment frequency : Monthly and on Maturity Principal Payment frequency: Semi annualy Tenor : 4 years	Secured by a first ranking Hypothecation charge over Assets	exclusive
Market Linked Debentures	-	100.00	Coupon Rate: Market Linked Coupon Payment frequency : on Maturity Principal Payment frequency: Bullet Payment at the end of the tenor Tenor : 2 Year and 6 Month	Secured by a first ranking Hypothecation charge over Assets	exclusive
Market Linked Debentures	-	100.00	Coupon Rate: Market Linked Coupon Payment frequency : on Maturity Principal Payment frequency: Bullet Payment at the end of the tenor Tenor : 2 Year and 1 day	Secured by a first ranking Hypothecation charge over Assets	exclusive
Market Linked Debentures	-	100.00	Coupon Rate: Market Linked Coupon Payment frequency : on Maturity Principal Payment frequency: Bullet Payment at the end of the tenor Tenor : 2 Year and 2 months	Secured by a first ranking Hypothecation charge over Assets	exclusive
Market Linked Debentures	-	100.00	Coupon Rate: Market Linked Coupon Payment frequency : on Maturity Principal Payment frequency: Bullet Payment at the end of the tenor Tenor : 1 Year and 6 months	Secured by a first ranking Hypothecation charge over Assets	exclusive
Market Linked Debentures	-	100.00	Coupon Rate: Market Linked Coupon Payment frequency : on Maturity Principal Payment frequency: Bullet Payment at the end of the tenor Tenor : 1 Year and 6 months	Secured by a first ranking Hypothecation charge over Assets	exclusive
Market Linked Debentures	100.00	100.00	Coupon Rate: Market Linked Coupon Payment frequency : on Maturity Principal Payment frequency: Bullet Payment at the end of the tenor Tenor : 2 Year and 2 days	Secured by a first ranking Hypothecation charge over Assets	exclusive
Total debentures	631.25	631.25			



HAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

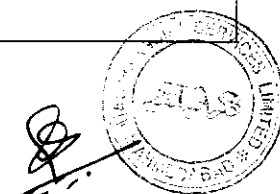
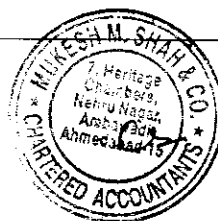
AS AT 31 MARCH 2024

(₹ in Crores)

15 Borrowings (other than debt securities) (at amortised cost) (Continued)

15.1 Details of terms of repayment in respect of term loans: (Continued)

	As at 31 March 2024	As at 31 March 2023	Terms of redemption/ repayment	Security
Term loans from Bank (Refer note i)				
Term Loan - 1	-	8.00	Repayable in 12 Quarterly installments from 30 June 2021	Exclusive charge by way of hypothecation of on standard receivables of the Borrower
Term Loan - 2	25.00	58.33	Repayable in 12 Quarterly installments from 31 March 2022	Exclusive charge by way of hypothecation of on standard receivables of the Borrower
Term Loan - 3	27.95	43.95	Repayable in 20 Quarterly installments from 30 June 2021.	Secured by a first ranking and exclusive charge on standard receivables of the Holding Company created out of the loan availed. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.
Term Loan - 4	74.99	105.00	Repayable in 20 Quarterly installments from 05 November 2021.	Exclusive charge by way of hypothecation of standard book debts/ receivables which are to be financed by the Holding Company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.
Term Loan - 5	66.67	133.33	Repayable in 12 Quarterly installments from 30 June 2022.	Exclusive first charge on the specific loan portfolio of the Borrower by way of hypothecation on the loan installments receivables. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.
Term Loan - 6	41.67	83.33	Repayable in 36 monthly installments from 01 May 2022.	First Exclusive hypothecation charge on book debts created out of Bank Loan.
Term Loan - 7	50.09	70.03	Repayable in 20 Quarterly installments from 31 March 2022.	Exclusive charge by way of hypothecation of standard book debts/ receivables which are financed/ to be financed by the Holding Company out of the proposed term loan to the Holding Company.
Term Loan - 8	-	27.27	Repayable in 33 monthly installments from 30 July 2021.	Secured by a first and exclusive charge on specific receivables of the Holding Company created out of the loan availed.
Term Loan - 9	18.18	36.36	Repayable in 33 monthly installments from 30 July 2022.	Secured by a first and exclusive charge on specific receivables of the Holding Company created out of the loan availed.
Term Loan - 10	8.45	12.24	Repayable in 96 monthly installments from 7 April 2018.	First and exclusive charge on land, property and commercial property under construction.
Term Loan - 11	0.34	2.58	Repayable in 36 monthly installments from 7 April 2021.	Secured by a first and exclusive charge on specific receivables of the Holding Company created out of the loan availed.
Term Loan - 12	1.35	10.32	Repayable in 36 monthly installments from 7 April 2021.	Secured by a first and exclusive charge on specific receivables of the Holding Company created out of the loan availed.
Term Loan - 13	0.56	4.30	Repayable in 36 monthly installments from 7 April 2021.	Secured by a first and exclusive charge on specific receivables of the Holding Company created out of the loan availed.
Term Loan - 14	1.14	3.40	Repayable in 36 monthly installments from 7 August 2021.	Secured by a first and exclusive charge on specific receivables of the Holding Company created out of the loan availed.
Term Loan - 15	4.55	13.60	Repayable in 36 monthly installments from 7 August 2021.	Secured by a first and exclusive charge on specific receivables of the Holding Company created out of the loan availed.
Term Loan - 16	1.90	5.67	Repayable in 36 monthly installments from 7 August 2021.	Secured by a first and exclusive charge on specific receivables of the Holding Company created out of the loan availed.
Term Loan - 17	2.13	4.45	Repayable in 36 monthly installments from 7 January 2022.	Secured by a first and exclusive charge on specific receivables of the Holding Company created out of the loan availed.
Term Loan - 18	8.53	17.80	Repayable in 36 monthly installments from 7 January 2022.	Secured by a first and exclusive charge on specific receivables of the Holding Company created out of the loan availed.
Term Loan - 19	3.55	7.42	Repayable in 36 monthly installments from 7 January 2022.	Secured by a first and exclusive charge on specific receivables of the Holding Company created out of the loan availed.
Term Loan - 20	-	13.33	Repayable in 36 monthly installments from 30 April 2021.	Secured by a first and exclusive charge on specific book debt and future receivables of the Holding Company created/ to be created out of the loan availed.
Term Loan - 21	27.94	50.11	Repayable in 18 Quarterly installments from 30 December 2021.	Exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the Holding Company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.



HAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

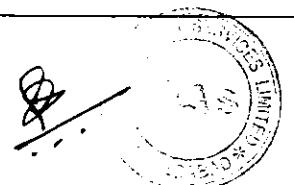
AS AT 31 MARCH 2024

(₹ in Crores)

15 Borrowings (other than debt securities) (at amortised cost) (Continued)

15.1 Details of terms of repayment in respect of term loans: (Continued)

	As at 31 March 2024	As at 31 March 2023	Terms of redemption/ repayment	Security
Term Loan - 22	55.64	77.78	Repayable in 18 Quarterly installments from September 2022.	24 Exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the Holding Company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi
Term Loan - 23	20.00	40.00	Repayable in 10 Quarterly installments from December 2022.	14 Exclusive charge by way of hypothecation of on standard receivables of the Borrower
Term Loan - 24	8.30	24.98	Repayable in 12 Quarterly installments from December 2021	16 Exclusive charge by way of Hypothecation of book debt receivables arising out of bank financial assets of the borrower.
Term Loan - 25	-	6.50	Repayable in 10 Quarterly installments from September 2019.	30 Secured by Hypothecation of portfolio of the Holding Company created out of the term loan. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs Shweta Gandhi
Term Loan - 26	-	25.50	Repayable in 16 Quarterly installments from February 2020.	29 Secured by Hypothecation of portfolio of the Holding Company created out of the term loan. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs Shweta Gandhi
Term Loan - 27	5.00	10.00	Repayable in 16 Quarterly installments from 2021.	26 June Exclusive charge by way of hypothecation on book debts under standard assets portfolio of the borrower eligible for Bank finance.
Term Loan - 28	21.53	65.99	Repayable in 18 Quarterly installments from December 2020.	31 Exclusive charge by the way of hypothecation on specific receivables of the Holding Company. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi
Term Loan - 29	42.09	63.16	Repayable in 19 Quarterly installments from September 2021.	30 Exclusive charge by the way of hypothecation on specific receivables of the Holding Company. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.
Term Loan - 30	164.93	225.00	Repayable in 20 Quarterly installments from 2022.	31 March Exclusive charge by the way of hypothecation on specific receivables of the Holding Company. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs Shweta Gandhi
Term Loan - 31	53.85	84.62	Repayable in 13 Quarterly installments from December 2022.	29 Exclusive charge on specific standard book debts and receivables which are financed to be financed by the Holding Company out of the bank finance
Term Loan - 32	97.50	127.50	Repayable in 20 Quarterly installments from September 2022.	30 Exclusive charge by way of hypothecation of standard book debts/ receivables which are to be financed by the Holding Company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.
Term Loan - 33	133.33	200.00	Repayable in 12 Quarterly installments from 2023.	30 June Exclusive first charge on the specific loan portfolio of the Borrower by way of hypothecation on the loan installments receivables. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs Shweta Gandhi
Term Loan - 34	24.96	41.66	Repayable in 36 monthly installments from 2022	30 October Exclusive charge on the specific standard book debts/loan receivables of Holding Company.
Term Loan - 35	15.00	25.00	Repayable in 12 Quarterly installments from December 2022.	23 Exclusive first charge by way of hypothecation of receivables created out of bank finance
Term Loan - 36	54.55	75.00	Repayable in 33 monthly installments from 2023	31 July Secured by a first and exclusive charge on specific receivables of the Holding Company created out of the loan availed.
Term Loan - 37	19.07	33.60	Repayable in 36 monthly installments from 2022	7 June Secured by a first and exclusive charge on specific receivables of the Holding Company created out of the loan availed.
Term Loan - 38	51.08	83.55	Repayable in 36 monthly installments from 2022	7 October Secured by a first and exclusive charge on specific receivables of the Holding Company created out of the loan availed.
Term Loan - 39	34.72	50.00	Repayable in 36 monthly installments from 2023	7 May Secured by a first and exclusive charge on specific receivables of the Holding Company created out of the loan availed.
Term Loan - 40	62.50	87.50	Repayable in 16 Quarterly installments from December 2022.	31 Secured by exclusive charge on the book debt and receivables of the Holding Company
Term Loan - 41	112.50	142.50	Repayable in 20 Quarterly installments from 2023	29 March Exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the Holding Company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs Shweta Gandhi.



HAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS AT 31 MARCH 2024

(₹ in Crores)

15 Borrowings (other than debt securities) (at amortised cost) (Continued)

15.1 Details of terms of repayment in respect of term loans: (Continued)

	As at 31 March 2024	As at 31 March 2023	Terms of redemption/ repayment	Security
Term Loan - 42	68.75	93.75	Repayable in 16 Quarterly installments from 31 March 2023	Secured by exclusive charge on the book debt and receivables of the Holding Company
Term Loan - 43	120.00	150.00	Repayable in 20 Quarterly installments from 31 May 2023	Exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the Holding Company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.
Term Loan - 44	41.64	75.00	Repayable in 12 Quarterly installments from 29 September 2022.	First & Exclusive charge by way of hypothecation on the Borrower's specific loan receivables
Term Loan - 45 (refer note below)	300.33	380.00	Repayable in 20 Quarterly installments from 31 January 2023	Secured by Hypothecation of portfolio of the Holding Company created out of the term loan. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi
Note : Out of the Above ₹ 300.33 crore outstanding as on 31 March 2024, ₹ 23.29 crore is in Indian Rupees and remaining amount of ₹ 277.04 crore is in foreign currency.				
Term Loan - 46	25.00	30.00	Repayable in 30 monthly installments from 6 November 2023.	Exclusive charge by way of hypothecation of the specific receivables/book debt of the Holding Company
Term Loan - 47	16.00	29.71	Repayable in 36 monthly installments from 29 July 2022	Secured by a first and exclusive charge on specific book debt and future receivables of the Holding Company created/to be created out of the loan availed.
Term Loan - 48	11.66	18.33	Repayable in 12 Quarterly installments from 31 March 2023	Secured by exclusive charge on the book debt and receivables of the Holding Company
Term Loan - 49	14.17	24.17	Repayable in 36 monthly installments from 25 September 2022	Secured by first and exclusive charge on Book Debts. Loan assets of the Holding Company
Term Loan - 50	126.92	-	Repayable in 13 Quarterly installments from 20 December 2023	Exclusive charge on specific standard book debts and receivables which are financed / to be financed by the Holding Company out of the bank finance
Term Loan - 51	23.08	-	Repayable in 13 Quarterly installments from 16 March 2024	Exclusive charge on specific standard book debts and receivables which are financed / to be financed by the Holding Company out of the bank finance
Term Loan - 52	170.00	-	Repayable in 20 Quarterly installments from 30 September 2023	Exclusive charge by way of hypothecation of standard book debts/ receivables which are to be financed by the Holding Company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.
Term Loan - 53	18.10	-	Repayable in 36 monthly installments from 01 June 2023	First and Exclusive charge by Hypothecation of Book Debts
Term Loan - 54	89.97	-	Repayable in 20 Quarterly installments from 31 December 2023	Exclusive charge by way of hypothecation of standard book debts/ receivables which are financed / to be financed by the Holding Company out of the proposed term loan to the Holding Company.
Term Loan - 55	22.91	-	Repayable in 12 Quarterly Installments from 28 March 2024	Exclusive charge on book debts by way of hypothecation on specific standard receivables of the Holding Company
Term Loan - 56	50.00	-	Repayable in 36 monthly installments from 28 April 2024.	Exclusive charge on the specific standard book debts/loan receivables of Holding Company.
Term Loan - 57	44.00	-	Repayable in 36 monthly installments from 7 May 2024.	Secured by a first and exclusive charge on specific receivables of the Holding Company created out of the loan availed
Term Loan - 58	84.86	-	Repayable in 36 monthly installments from 7 February 2024.	Secured by a first and exclusive charge on specific receivables of the Holding Company created out of the loan availed
Term Loan - 59	82.86	-	Repayable in 36 monthly installments from 7 October 2023.	Secured by a first and exclusive charge on specific receivables of the Holding Company created out of the loan availed
Term Loan - 60	135.00	-	Repayable in 20 Quarterly installments from 30 November 2023	Exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the Holding Company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi
Term Loan - 61	67.50	-	Repayable in 20 Quarterly installments from 28 December 2023	Exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the Holding Company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi



MAAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

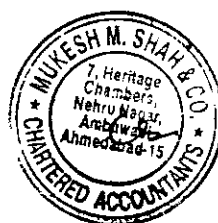
AS AT 31 MARCH 2024

(₹ in Crores)

15 Borrowings (other than debt securities) (at amortised cost) (Continued)

15.1 Details of terms of repayment in respect of term loans: (Continued)

	As at 31 March 2024	As at 31 March 2023	Terms of redemption/ repayment	Security
Term Loan - 62	71.25	-	Repayable in 20 Quarterly installments from 05 February 2024	Exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the Holding Company out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.
Term Loan - 63	37.50	-	Repayable in 12 Quarterly installments from 30 September 2023.	First & Exclusive charge by way of hypothecation on the Borrower's specific loan receivables.
Term Loan - 64	41.67	-	Repayable in 12 Quarterly Installments from 31 October 2023	Hypothecation on the Specific unencumbered secured standard loan receivables and book debts of the Holding Company arising from loans and advances.
Term Loan - 65	75.00	-	Repayable in 36 monthly installments from 30 July 2023	Secured by a first and exclusive charge on specific book debt and future receivables of the Holding Company created to be created out of the loan availed.
Term Loan - 66 (refer note below)	451.52	-	Repayable in 20 Quarterly installments from 25 December 2023.	Secured by Hypothecation of portfolio of the Holding Company created out of the term loan. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi.
Note: Out of the Above ₹ 451.52 crore outstanding as on 31 March 2024, ₹ 151.52 crore is in Indian Rupees and remaining amount of 306 crore is in foreign currency				
Term Loan - 67	100.00	-	Repayable in 36 monthly installments from 30 April 2024	Secured by a first and exclusive charge on specific book debt and future receivables of the Holding Company created to be created out of the loan availed.
Term Loan - 68	83.30	-	Repayable in 12 Quarterly installments from 31 December 2023	Exclusive charge by the way of hypothecation on specific receivables of the Holding Company. Personal Guarantee of Mr. Kamlesh Gandhi and Mrs. Shweta Gandhi.
Term Loan - 69	187.50	-	Repayable in 16 Quarterly Installments from 31 march, 2024	Exclusive First charge by way of hypothecation over specific Standard receivables
Term Loan - 70	-	5.00	Repayment in 36 Monthly Instalments from 03 April 2021	The Term loan shall be secured by exclusive hypothecation of present & future loan receivables of the MRHMFL created out of the loan. Personal Guarantee of Mr. Kamlesh Gandhi.
Term Loan - 71	-	1.05	Repayment in 24 Quarterly Instalments starting from 31 March 2017	Loan is secured by hypothecation charge on portfolio created from the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi & legal heirs of Late Mr. Mukesh Gandhi.
Term Loan - 72	-	0.39	Repayment in 24 Quarterly Instalments starting from 31 March 2017	Loan is secured by hypothecation charge on portfolio created from the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi & legal heirs of Late Mr. Mukesh Gandhi.
Term Loan - 73	-	0.21	Repayment in 24 Quarterly Instalments starting from 30 June 2017	Loan is secured by Hypothecation on receivables. Personal Guarantee of Mr. Kamlesh Gandhi & legal heirs of Late Mr. Mukesh Gandhi.
Term Loan - 74	-	0.83	Repayment in 24 Quarterly Instalments starting from 30 June 2017	Loan is secured by Hypothecation on receivables. Personal Guarantee of Mr. Kamlesh Gandhi & legal heirs of Late Mr. Mukesh Gandhi.
Term Loan - 75	2.48	4.56	Repayment in 57 Monthly Instalments starting from 30 October 2020	Loan is secured by Exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the MRHMFL out of the bank finance to the MRHMFL. Personal Guarantee of Mr. Kamlesh Gandhi.
Term Loan - 76	13.94	21.33	Repayment in 60 Monthly Instalments starting from 30 July 2021	Loan is secured by Exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the MRHMFL out of the bank finance to the MRHMFL. Personal Guarantee of Mr. Kamlesh Gandhi.
Term Loan - 77	2.06	3.74	Repayment in 24 Quarterly Instalments starting from 31 January 2019	The Loan is secured by Exclusive charge by way of hypothecation on standard assets portfolio of receivables (excluding stressed assets) Personal Guarantee of Mr. Kamlesh Gandhi.



MAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

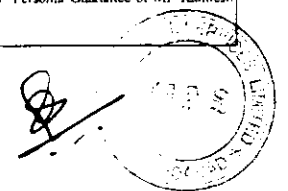
AS AT 31 MARCH 2024

(₹ in Crores)

15 Borrowings (other than debt securities) (at amortised cost) (Continued)

15.1 Details of terms of repayment in respect of term loans: (Continued)

	As at 31 March 2024	As at 31 March 2023	Terms of redemption/repayment	Security
Term Loan - 78	1.22	2.06	Repayment in 24 Quarterly Instalments starting from 30 September 2019	The Loan is secured by Exclusive charge by way of hypothecation on standard assets portfolio of receivables (excluding stressed assets) Personal Guarantee of Mr. Kamlesh Gandhi.
Term Loan - 79	3.69	5.35	Repayment in 24 Quarterly Instalments from 31 December 2020	The Loan is secured by Exclusive charge by way of hypothecation on standard assets portfolio of receivables (excluding stressed assets) Personal Guarantee of Mr. Kamlesh Gandhi.
Term Loan - 80	6.84	9.97	Repayment in 24 Quarterly Instalments from 30 June 2021	The Loan is secured by Exclusive charge by way of hypothecation on standard assets portfolio of receivables (excluding stressed assets) Personal Guarantee of Mr. Kamlesh Gandhi.
Term Loan - 81	6.99	11.10	Repayment in 26 Quarterly Instalments starting from 28 February 2019	Loan is secured by Hypothecation on receivables Personal Guarantee of Mr. Kamlesh Gandhi & Mrs. Shweta Gandhi.
Term Loan - 82	0.40	2.08	Repayment in 24 Quarterly Instalments from 31 March 2018	The Term loan shall be secured by first ranking and exclusive charge on standard receivables of the MRHMFL (identified loan assets) sufficient to provide one time security cover of the outstanding amount of the term loan on a continuous basis, during the tenure of the term loan. Personal Guarantee of Mr. Kamlesh Gandhi.
Term Loan - 83	-	11.11	Repayment in 18 Quarterly Instalments from 30 June 2019	The Term loan shall be secured by first ranking and exclusive charge on standard receivables of the MRHMFL (identified loan assets) sufficient to provide security cover of the outstanding amount of the term loan on a continuous basis, during the tenure of the term loan. Personal Guarantee of Mr. Kamlesh Gandhi.
Term Loan - 84	4.50	6.50	Repayment in 20 Quarterly Instalments from 25 September 2021	Exclusive charge by way of hypothecation of book debts, which are financed/ to be financed by the MRHMFL out of the bank financed to the MRHMFL. Personal Guarantee of Mr. Kamlesh Gandhi.
Term Loan - 85	24.21	32.00	Repayment in 10 Quarterly Instalments from 25 June 2022	Loan is secured by Exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the MRHMFL out of the bank finance to the MRHMFL. Personal Guarantee of Mr. Kamlesh Gandhi.
Term Loan - 86	6.78	8.21	Repayment in 28 Quarterly Instalments from 31 March 2022	First & Exclusive Charge by way of Hypothecation of such of the book debts, which are financed to be financed by the MRHMFL out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi.
Term Loan - 87	7.00	9.00	Repayment in 20 Quarterly Instalments from 22 December 2022	Exclusive charge by way of hypothecation of book debts, which are financed/ to be financed by the MRHMFL out of the bank financed to the MRHMFL. Personal Guarantee of Mr. Kamlesh Gandhi.
Term Loan - 88	19.63	25.00	Repayment in 48 Monthly Instalments from 15 April 2023	First Exclusive charge by way of hypothecation on the MRHMFL's present and future loan receivables. Personal Guarantee of Mr. Kamlesh Gandhi.
Term Loan - 89	8.21	9.64	Repayment in 28 Quarterly Instalments from 8 March 2023	First & Exclusive Charge by way of Hypothecation of such of the book debts, which are financed to be financed by the MRHMFL out of the bank finance. Personal Guarantee of Mr. Kamlesh Gandhi.
Term Loan - 90	24.07	-	Exclusive charge by way of hypothecation of such book debts, which are financed/ to be financed by the company out of bank finance	Exclusive charge by way of hypothecation of such book debts, which are financed/ to be financed by the MRHMFL out of bank finance.
Term Loan - 91	14.46	-	Repayment in 84 monthly instalments from 21 January 2024	Exclusive charge by way of hypothecation of specific loan receivables/ book debts of the MRHMFL.
Term Loan - 92	9.00	-	Repayment in 20 Quarterly Instalments from 27 December 2023	Exclusive charge by way of hypothecation of book debts, which are financed/ to be financed by the company out of the bank financed to the Company. Personal Guarantee of Mr. Kamlesh Gandhi.



MAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

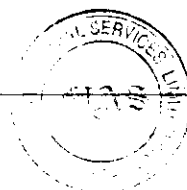
AS AT 31 MARCH 2024

(₹ in Crores)

15 Borrowings (other than debt securities) (at amortised cost) (Continued)

15.1 Details of terms of repayment in respect of term loans: (Continued)

	As at 31 March 2024	As at 31 March 2023	Terms of redemption/ repayment	Security
Term Loan - 93	5.00	-	Repayment in 60 monthly instalments from 07 May 2024	First & Exclusive Hypothecation of book debts / receivables
Term Loan - 94	22.50	-	Repayment in 20 Quarterly Instalments from 30 November 2023	Exclusive charge on present and future book debts and receivables
Term Loan - 95	9.73	-	Repayment in 84 monthly instalments from 30 January 2024	Loan is secured by Exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the company out of the bank finance to the company. Personal Guarantee of Mr. Kamlesh Gandhi.
Term Loan - 96	25.15	-	Repayment in 40 Quarterly Instalments from 30 April 2024	Loan is secured by Hypothecation on receivables. Personal Guarantee of Mr. Kamlesh Gandhi & Mrs Shweta Gandhi
Note: Out of the Above ₹ 25.15 crore outstanding as on 31 March 2024, ₹ 0.01 crore is in Indian Rupees and remaining amount of ₹ 25.14 crore is in foreign currency.				
Term Loan - 97	13.39	-	Repayment in 28 Quarterly Instalments from 30 September 2023	The Term loan shall be secured by first ranking and exclusive charge on standard receivables of the Company (identified loan assets) sufficient to provide security cover of the outstanding amount of the term loan on a continuous basis, during the tenure of the term loan. Personal Guarantee of Mr. Kamlesh Gandhi
Term Loan - 98	13.25	-	Repayment in 60 Monthly Instalments starting from 25 September 2023	First and Exclusive Charge on book debt/Loan Assets of the MRHMFL.
Total term loans from banks	4,146.50	3,170.77		
Note (ii):				
Interest rate ranges from 6.76% p.a to 11.70% p.a as at 31 March 2024				
Interest rate ranges from 8.65% p.a to 11.90% p.a as at 31 March 2023				
Term loans from NHB (Refer note ii)				
Term Loan from NHB - 1	0.73	1.25	Repayment in 39 Quarterly Instalments from 01 July 2017	First & Exclusive Hypothecation of Specific Receivables of the MRHMFL. Personal Guarantee of Mr. Kamlesh Gandhi & legal heirs of Late Mr. Mukesh Gandhi.
Term Loan from NHB - 2	1.04	1.48	Repayment in 39 Quarterly Instalments from 01 October 2017	First & Exclusive Hypothecation of Specific Receivables of the MRHMFL. Personal Guarantee of Mr. Kamlesh Gandhi & legal heirs of Late Mr. Mukesh Gandhi.
Term Loan from NHB - 3	1.12	1.38	Repayment in 60 Quarterly Instalments from 01 October 2019	First & Exclusive Hypothecation of Specific Receivables of the MRHMFL. Personal Guarantee of Mr. Kamlesh Gandhi & legal heirs of Late Mr. Mukesh Gandhi.
Term Loan from NHB - 4	-	0.10	Repayment in 60 Quarterly Instalments from 01 October 2019	First & Exclusive Hypothecation of Specific Receivables of the MRHMFL. Personal Guarantee of Mr. Kamlesh Gandhi & legal heirs of Late Mr. Mukesh Gandhi.
Term Loan from NHB - 5	1.96	2.35	Repayment in 60 Quarterly Instalments from 01 July 2020	First & Exclusive Hypothecation of Specific Receivables of the MRHMFL. Personal Guarantee of Mr. Kamlesh Gandhi & legal heirs of Late Mr. Mukesh Gandhi.
Term Loan from NHB - 6	1.80	2.12	Repayment in 39 Quarterly Instalments from 01 October 2020	First & Exclusive Hypothecation of Specific Receivables of the MRHMFL. Personal Guarantee of Mr. Kamlesh Gandhi & legal heirs of Late Mr. Mukesh Gandhi.
Term Loan from NHB - 7	0.50	0.62	Repayment in 39 Quarterly Instalments from 31 July 2020	First & Exclusive Hypothecation of Specific Receivables of the MRHMFL. Personal Guarantee of Mr. Kamlesh Gandhi & legal heirs of Late Mr. Mukesh Gandhi.
Term Loan from NHB - 8	0.46	0.79	Repayment in 51 Quarterly Instalments from 01 July 2014	A first exclusive mortgage and or a first exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the MRHMFL. Corporate Guarantee of MAS Financial Services Ltd.
Term Loan from NHB - 9	4.76	6.52	Repayment in 27 Quarterly Instalments from 01 October 2022	A first exclusive mortgage and or a first exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the MRHMFL. Personal Guarantee of Mr. Kamlesh Gandhi.
Term Loan from NHB - 10	1.41	1.94	Repayment in 36 Quarterly Instalments from 01 October 2022	A first exclusive mortgage and or a first exclusive charge by way of hypothecation of such of the book debts, which are financed / to be financed by the MRHMFL. Personal Guarantee of Mr. Kamlesh Gandhi.



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MASS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

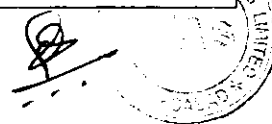
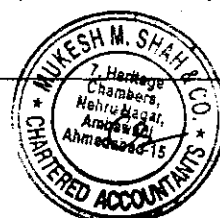
AS AT 31 MARCH 2024

(₹ in Crores)

15 Borrowings (other than debt securities) (at amortised cost) (Continued)

15.1 Details of terms of repayment in respect of term loans: (Continued)

	As at 31 March 2024	As at 31 March 2023	Terms of redemption/ repayment	Security
Term Loan from NHB - 11	4.38	5.00	Repayment in 27 Quarterly Instalments from 01 July 2023	A first exclusive mortgage and or a first exclusive charge by way of hypothecation of such of the book debts, which are financed to be financed by the MRHMFL. Personal Guarantee of Mr. Kamlesh Gandhi and Bank Guarantee of ICICI Bank Ltd.
Term Loan from NHB - 12	3.96	4.73	Repayment in 27 Quarterly Instalments from 01 July 2023	A first exclusive mortgage and or a first exclusive charge by way of hypothecation of such of the book debts, which are financed to be financed by the MRHMFL. Personal Guarantee of Mr. Kamlesh Gandhi and Bank Guarantee of ICICI Bank Ltd.
Term Loan from NHB - 13	0.23	0.27	Repayment in 40 Quarterly Instalments from 01 July 2023	A first exclusive mortgage and or a first exclusive charge by way of hypothecation of such of the book debts, which are financed to be financed by the MRHMFL. Personal Guarantee of Mr. Kamlesh Gandhi and Bank Guarantee of ICICI Bank Ltd.
Total term loans from NHB	22.36	28.53		
Note (ii):				
Interest rate ranges from 2.80% p.a. to 9.60% p.a. as at 31 March 2024				
Interest rate ranges from 2.80% p.a. to 8.90% p.a. as at 31 March 2023				
Term loans from others (Refer note iii)				
Term Loans from a Financial Institution - 1	-	8.50	Repayable in 36 monthly installments from 31 January 2021	Secured by exclusive first charge by way of hypothecation of specific book debts of the Holding Company created out of the loan availed.
Term Loans from a Financial Institution - 2	-	5.33	Repayable in 36 monthly installments from 30 April 2021.	Secured by exclusive first charge by way of hypothecation of specific book debts of the Holding Company created out of the loan availed.
Term Loans from a Financial Institution - 3	25.00	25.00	Bullet Repayment on 17 August 2020	N.A.
Term Loans from a Financial Institution - 4	8.33	25.00	Repayable in 36 monthly installments from 31 October 2021	Secured by exclusive first charge by way of hypothecation of specific book debts of the Holding Company created out of the loan availed.
Term Loans from a Financial Institution - 5	20.00	33.33	Repayable in 12 Quarterly installments from 5 October 2022.	Secured by exclusive charge on the book debts and receivables of the Holding Company.
Term Loans from a Financial Institution - 6	37.25	62.08	Repayable in 36 monthly installments from 5 October 2021.	Secured by exclusive first charge on the loan portfolio of the borrower by way of hypothecation on the loan installments, receivables created from of the proceeds of the facility.
Term Loans from a Financial Institution - 7	80.00	120.00	Repayable in 20 Quarterly installments from 30 June 2021	Exclusive charge by way of hypothecation of the specific receivables/book debts. Liquid collateral of 10% of the sanctioned amount.
Term Loans from a Financial Institution - 8	36.35	50.00	Repayable in 11 Quarterly installments from 10 July 2023	Secured by Exclusive first charge by way of hypothecation of book debts and receivables, charged exclusive for the loan. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi.
Term Loans from a Financial Institution - 9	75.00	135.00	Repayable in 30 monthly installments from 10 January 2023	Secured by exclusive charge by way of hypothecation on book debts and receivables of the Holding Company. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi.
Term Loans from a Financial Institution - 10	75.70	129.10	Repayable in 31 monthly installments from 10 February 2023	Secured by exclusive charge by way of hypothecation on book debts and receivables of the Holding Company. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi.



HAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

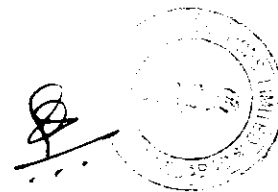
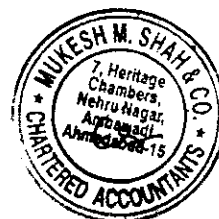
AS AT 31 MARCH 2024

(₹ in Crores)

15 Borrowings (other than debt securities) (at amortised cost) (Continued)

15.1 Details of terms of repayment in respect of term loans: (Continued)

	As at 31 March 2024	As at 31 March 2023	Terms of redemption/ repayment	Security
Term Loans from a Financial Institution - 11	53.53	85.05	Repayable in 36 monthly installments from 10 October 2022	Secured by hypothecation of specific book debts created out of the loan availed
Term Loans from a Financial Institution - 12	21.88	-	Repayable in 8 Quarterly installments from 31 March 2024	Secured by exclusive charge on the book debt and receivables of the Holding Company
Term Loans from a Financial Institution - 13	66.67	-	Repayable in 36 monthly installments from 5 October 2023.	Secured by exclusive first charge on the loan portfolio of the borrower by way of hypothecation on the loan installments receivables created from of the proceeds of the facility.
Term Loans from a Financial Institution - 14	175.00	-	Bullet Repayment on 11 December 2026.	Secured by Exclusive first charge by way of hypothecation of book debts and receivables charged exclusive for the loan Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi
Term Loans from a Financial Institution - 15	72.72	-	Repayable in 11 quarterly installments from 01 April 2024	First and exclusive charge by way of Hypothecation on standard book debts
Term Loans from a Financial Institution - 16	52.00	-	Repayable in 33 Monthly installments from 31 May 2024	First and exclusive charge by way of Hypothecation on standard book debts
Term Loans from a Financial Institution - 17	45.09	-	Repayable in 36 Monthly installments from 05 December 2023	First and exclusive charge by way of Hypothecation over the standard loan receivables
Term Loans from a Financial Institution - 18	79.51	-	Repayable in 33 monthly installments from 10 March 2024.	Secured by exclusive charge by way of hypothecation on book debts and receivables of the Holding Company. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi
Term Loans from a Financial Institution - 19	100.00	-	Repayable in 33 monthly installments from 10 June 2024.	Secured by exclusive charge by way of hypothecation on book debts and receivables of the Holding Company. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi
Term Loans from a Financial Institution - 20	118.00	-	Repayable in 33 monthly installments from 10 June 2024	Secured by exclusive charge by way of hypothecation on book debts and receivables of the Holding Company. Personal Guarantee of Mr. Kamlesh Gandhi, Mrs. Shweta Gandhi
Term Loans from a Financial Institution - 21	-	2.50	Repayment in 36 Monthly Instalments starting from 31 January 2021	The Loan is secured by Exclusive first charge on the loan portfolio of the Borrower by way of hypothecation on the loan installments receivables created from the proceeds of the Facility. Personal Guarantee of Mr. Kamlesh Gandhi & legal heirs of Late Mr. Mukesh Gandhi
Term Loans from a Financial Institution - 22	11.00	15.00	Repayment in 60 Monthly Instalments starting from 15 January 2022	Exclusive charge on specific loan assets - book debts of the MRHMFL assigned to ICFSL. Personal Guarantee of Mr. Kamlesh Gandhi
Term Loans from a Financial Institution - 23	11.95	14.42	Repayment in 60 Monthly Instalments starting from 01 February 2023	Exclusive charge on hypothecation on specific receivables to be maintained at all times during currency of ABFL loan
Term Loans from a Financial Institution - 24	3.93	4.64	Repayment in 84 Monthly Instalments starting from 1 November 2022	Exclusive charge on hypothecation on specific receivables to be maintained at all times during currency of SHFL loan
Term Loans from a Financial Institution - 25	8.21	9.64	Repayment in 84 Monthly Instalments starting from 01 February 2023	Exclusive charge on hypothecation on specific receivables to be maintained at all times during currency of SHFL loan
Term Loans from a Financial Institution - 26	8.21	9.64	Repayment in 84 Monthly Instalments starting from 01 February 2023	Exclusive charge on hypothecation on specific receivables to be maintained at all times during currency of SHFL loan



HAAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS AT 31 MARCH 2024

(₹ in Crores)

15 Borrowings (other than debt securities) (at amortised cost) (Continued)

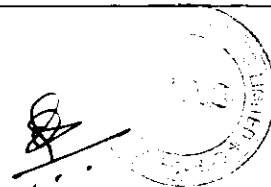
15.1 Details of terms of repayment in respect of term loans: (Continued)

	As at 31 March 2024	As at 31 March 2023	Terms of redemption/ repayment	Security
Term Loans from a Financial Institution - 27	13.01	17.74	Repayment in 52 Monthly Instalments starting from 15 October 2022	Exclusive charge on specific loan assets - book debts of the MRHMFL assigned to TCFSL. Personal Guarantee of Mr. Kamlesh Gandhi
Term Loans from a Financial Institution - 28	47.50	-	Repayment in 60 Monthly Instalments starting from 05 January 2024	First and exclusive charge by way of hypothecation over the standard loan receivables
Term Loans from a Financial Institution - 29	8.93	-	Repayment in 84 Monthly Instalments starting from 31 July 2023	Exclusive charge on hypothecation on specific receivables to be maintained at all times during currency of SHFL loan.
Total term loans from others	1,254.76	751.98		
Note (iii):				
Interest rate ranges from 7.50% p.a to 11.90% p.a as at 31 March 2024				
Interest rate ranges from 7.50% p.a to 11.50% p.a as at 31 March 2023				

16 Subordinated liabilities (at amortised cost)

16.1 Details of terms of redemption/repayment in respect of subordinated liabilities:

	As at 31 March 2024	As at 31 March 2023	Terms of redemption/ repayment	Security
Subordinated liabilities				
50, 10.75% unsecured, rated, listed, redeemable, subordinated, taxable, transferable, non-convertible debentures of ₹ 100 lakhs each	50.00	50.00	Coupon Rate: 10.75% p.a. Coupon Payment frequency: Monthly and on Maturity Principal Payment frequency: Bullet Payment at the end of the tenor Tenor: 5 years and 7 months	N.A.
500, 10.75% unlisted, subordinated, unsecured, redeemable, non-convertible debentures of ₹ 10 lakhs each	50.00	50.00	Coupon Rate: 10.75% p.a. Coupon Payment frequency: Monthly and on Maturity Principal Payment frequency: Bullet Payment at the end of the tenor Tenor: 6 years	N.A.
250, 10.75% unlisted, subordinated, unsecured, redeemable, non-convertible debentures of ₹ 10 lakhs each	25.00	25.00	Coupon Rate: 10.75% p.a. Coupon Payment frequency: Monthly and on Maturity Principal Payment frequency: Bullet Payment at the end of the tenor Tenor: 5 years and 7 months	N.A.
3500, 10.75% unlisted, subordinated, unsecured, redeemable, non-convertible debentures of ₹ 1 lakhs each	35.00	35.00	Coupon Rate: 10.75% p.a. Coupon Payment frequency: Monthly and on Maturity Principal Payment frequency: Bullet Payment at the end of the tenor Tenor: 6 years	N.A.
5000, 10.75% unsecured, rated, listed, redeemable, subordinated, taxable, transferable, non-convertible debentures of ₹ 1 lakhs each	50.00	50.00	Coupon Rate: 10.75% p.a. Coupon Payment frequency: Monthly and on Maturity Principal Payment frequency: Bullet Payment at the end of the tenor Tenor: 5 years and 7 months	N.A.
5000, 10.75% unsecured, rated, listed, redeemable, subordinated, taxable, transferable, non-convertible debentures of ₹ 1 lakhs each	50.00	50.00	Coupon Rate: 10.75% p.a. Coupon Payment frequency: Monthly and on Maturity Principal Payment frequency: Bullet Payment at the end of the tenor Tenor: 5 years and 7 months	N.A.
5000, 10.75% rated, listed, subordinated, unsecured, redeemable, taxable, transferable, non-convertible debentures of ₹ 1 lakhs each	50.00	-	Coupon Rate: 10.75% p.a. Coupon Payment frequency: Monthly and on Maturity Principal Payment frequency: Bullet Payment at the end of the tenor Tenor: 5 years and 7 months	N.A.
Total subordinated liabilities	310.00	260.00		

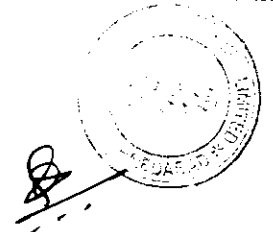


HAAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continue) AS AT 31 MARCH 2024

(₹ in Crores)

	As at 31 March 2024	As at 31 March 2023
17 Other financial liabilities		
Interest accrued but not due on borrowings	32.07	70.55
Interest accrued but not due on others	0.07	0.08
Dues to the assignees towards collections from assigned receivables	181.66	213.21
Security deposits received from borrowers	1.33	1.92
Advances received against loan agreements	2.53	2.06
Unpaid dividend on equity shares	0.02	0.02
Dealer advances	7.12	5.13
Lease liability	3.38	1.28
Liabilities for expenses	8.13	-
Other payable	22.05	16.09
Total other financial liabilities	258.36	310.34
Note :		
There are no amounts that are due and remain unpaid to Investor Education and Protection Fund as at the close of the year.		
18 Provisions		
Provision for employee benefits (Refer note 40)		
Compensated absences	0.29	0.17
Provision for unspent CSR liability	9.82	9.32
Total provisions	10.11	9.49
19 Other non-financial liabilities		
Statutory remittances	4.90	3.60
Income received in advance	1.81	1.01
Total other non-financial liabilities	6.71	4.61



HAAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS AT 31 MARCH 2024

(₹ in Crores)

20 Equity share capital

	As at 31 March 2024	As at 31 March 2023
Authorized shares:		
20,00,00,000 Equity Shares of ₹ 10 each (As at 31 March 2023: 6,40,00,000 Equity Shares of ₹ 10 each)	200.00	64.00
- 0.01% Compulsorily Convertible Cumulative Preference Shares of ₹ 10 each (As at 31 March 2023: 2,20,00,000 0.01% Compulsorily Convertible Cumulative Preference Shares of ₹ 10 each)	-	22.00
- 13.31% Compulsorily Convertible Cumulative Preference Shares of ₹ 10 each (As at 31 March 2023: 2,20,00,000 13.31% Compulsorily Convertible Cumulative Preference Shares of ₹ 10 each)	-	22.00
- 9.75% Compulsorily Convertible Cumulative Preference Shares of ₹ 1,00,000 each (As at 31 March 2023: 400 9.75% Compulsorily Convertible Cumulative Preference Shares of ₹ 1,00,000 each)	-	4.00
	200.00	112.00
Issued, subscribed and fully paid-up shares:		
16,39,86,129 Equity Shares of ₹ 10 each fully paid-up (As at 31 March 2023: 5,46,62,043 Equity Shares of ₹ 10 each)	163.99	54.66
	163.99	54.66

Note:

1. During the current year, pursuant to the approval of shareholders at the Extra Ordinary General Meeting held on February 09, 2024, the Authorized Share Capital of the Holding Company comprising of ₹ 112,00,00,000/- (Rupees One Hundred and Twelve Crores Only) divided into 6,40,00,000 (Six Crores and Forty Lakh) Equity Shares of ₹ 10 (Rupees Ten Only) each, 400 (Four Hundred) - 9.75% Compulsorily Convertible Cumulative Preference Shares of ₹ 1,00,000 (Rupees One Lakh Only) each, 2,20,00,000 (Two Crore Twenty Lakh) 0.01% Compulsorily Convertible Cumulative Preference Shares of ₹ 10 (Rupees Ten Only) each and 2,20,00,000 (Two Crore Twenty Lakh) - 13.31% Compulsorily Convertible Cumulative Preference Shares of ₹ 10 (Rupees Ten Only) each was reclassified into ₹ 112,00,00,000/- (Rupees One Hundred and Twelve Crores Only) divided into 11,20,00,000 (Eleven Crores and Twenty Lakh) Equity Shares of ₹ 10 (Rupees Ten Only) each.

2. During the current year, pursuant to the approval of shareholders at the Extra Ordinary General Meeting held on February 09, 2024, the Authorized share capital of the Holding Company has been increased from ₹ 112,00,00,000/- (Rupees One Hundred and Twelve Crores Only) divided into 11,20,00,000 (Eleven Crores and Twenty Lakh) Equity Shares of ₹ 10 (Rupees Ten Only) each to ₹ 200,00,00,000 - (Rupees Two Hundred Crores Only) divided into 20,00,00,000 (Twenty Crores) Equity Shares of ₹ 10 (Rupees Ten Only) each.

20.1 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

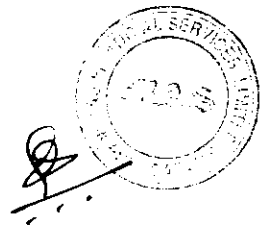
	As at 31 March 2024		As at 31 March 2023	
	No. of Shares	(₹ in Crores)	No. of Shares	(₹ in Crores)
Equity Shares				
Outstanding at the beginning of the year	5,46,62,043	54.66	5,46,62,043	54.66
Add: Bonus shares issued during the year	10,93,24,086	109.32	-	-
Outstanding at the end of the year	16,39,86,129	163.99	5,46,62,043	54.66

20.2 Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March 2024		As at 31 March 2023	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares				
Shweta Kamlesh Gandhi	4,90,15,350	29.89%	1,63,38,450	29.89%
Mukesh C. Gandhi (Refer note below)	4,84,70,442	29.56%	1,61,56,814	29.56%
Kamlesh C. Gandhi	1,90,21,524	11.60%	63,40,508	11.60%
Vistra ITCL I Ltd Business Excellence Trust III India Business	1,21,33,737	7.40%	40,44,579	7.40%

Note:

Mr. Mukesh C. Gandhi has passed away on 19 January 2021.



HAAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS AT 31 MARCH 2024

(₹ in Crores)

20.3 The Holding Company has not allotted any share pursuant to contracts without payment being received in cash nor has it bought back any shares during the preceding period of 5 financial years

20.4 **Terms/ rights attached to equity shares**

The Holding Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Holding Company, the equity shareholders of the Holding Company will be entitled to receive the remaining assets of the Holding Company after distribution of all preferential amounts, in proportion to their shareholding.

20.5 **Details of shares held by promoters (including promoter group) of the Company:**

Promoter and promoter group name	As at 31 March 2024		As at 31 March 2023		% Change during the current year (23-24) #
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares	
Equity shares					
Shweta Kamlesh Gandhi	4,90,15,350	29.89%	1,63,38,450	29.89%	200.00%
Mukesh C. Gandhi (Refer note below)	4,84,70,442	29.56%	1,61,56,814	29.56%	200.00%
Kamlesh C. Gandhi	1,90,21,524	11.60%	63,40,508	11.60%	200.00%
Prarthana Marketing Private Limited	39,52,671	2.41%	13,17,557	2.41%	200.00%
Anamaya Capital LLP	2,99,982	0.18%	99,994	0.18%	200.00%
Dhvanil K. Gandhi	1,05,831	0.06%	35,277	0.06%	200.00%
Dhriti K. Gandhi	36,162	0.02%	12,054	0.02%	200.00%

Note: Mr. Mukesh C. Gandhi has passed away on 19 January 2021.

During the current year, pursuant to the approval of shareholders at the Extra Ordinary General Meeting held on February 09, 2024, the Holding Company has issued 10,93,24,086 (Ten Crore Ninety Three Lakh Twenty Four Thousand and Eighty Six) fully paid up Equity Shares of Rs. 10/- each as Bonus Shares in the ratio of 2:1 (2 Bonus shares for every 1 equity shares held on February 22, 2024) by utilizing Securities Premium Account. These Equity shares have been allotted on February 24, 2024.



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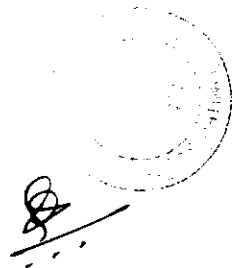
HAAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS AT 31 MARCH 2024

(₹ in Crores)

	As at 31 March 2024	As at 31 March 2023
21 Other equity (refer note 21.1)		
Reserve under section 45-IC of Reserve Bank of India Act, 1934 (the "RBI Act, 1934")		
Outstanding at the beginning of the year	252.10	211.91
Additions during the year	49.55	40.19
Outstanding at the end of the year	301.65	252.10
Equity component of compound financial instruments- optionally convertible preference shares		
Outstanding at the beginning of the year	0.11	0.11
Add: Effect of changes in the Group's interest	0.01	-
Outstanding at the end of the year	0.12	0.11
Reserve fund under section 29C of The National Housing Bank Act, 1987 ("NHB Act")		
Opening balance		
a. Statutory reserve u/s 29C of NHB Act	0.60	0.27
b. Amount of special reserve u/s 36(i)(viii) of Income-tax Act, 1961 taken into account for the purposes of statutory reserve u/s 29C of NHB Act	5.27	4.43
c. Total	5.87	4.70
Addition / appropriation / withdrawal during the year		
Add:		
a. Amount transferred u/s 29C of the NHB Act	0.36	0.33
b. Amount of special reserve u/s 36(i)(viii) of Income-tax Act, 1961 taken into account for the purposes of statutory reserve u/s 29C of NHB Act	0.85	0.84
Less:		
a. Amount appropriated u/s 29C of NHB Act	-	-
b. Amount withdrawn from special reserve u/s 36(i)(viii) of Income-tax Act, 1961 taken into account for the purposes of statutory reserve u/s 29C of NHB Act	-	-
Add: Effect of changes in the Group's interest		
a. Statutory reserve u/s 29C of NHB Act	0.01	-
b. Amount of special reserve u/s 36(i)(viii) of Income-tax Act, 1961 taken into account for the purposes of statutory reserve u/s 29C of NHB Act	0.10	-
Closing balance		
a. Statutory reserve u/s 29C of NHB Act	0.97	0.60
b. Amount of special reserve u/s 36(i)(viii) of Income-tax Act, 1961 taken into account for the purposes of statutory reserve u/s 29C of NHB Act	6.22	5.27
c. Total	7.19	5.87
Securities premium		
Outstanding at the beginning of the year	426.95	426.95
Deductions during the year (On issue of bonus shares)	(109.32)	-
Outstanding at the end of the year	317.63	426.95



HAAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS AT 31 MARCH 2024

(₹ in Crores)

	As at 31 March 2024	As at 31 March 2023
21 Other equity (Continued)		
Retained earnings		
Outstanding at the beginning of the year	679.63	537.08
Profit for the year	251.05	203.26
Effect of changes in the Group's interest	(2.28)	-
Item of other comprehensive income recognised directly in retained earnings		
On defined benefit plan	(0.38)	0.05
	<u>928.02</u>	<u>740.39</u>
Appropriations:		
Transfer to reserve under section 45-IC of the RBI Act, 1934	(49.55)	(40.19)
Reserve u/s 29C of NHB Act and special reserve u/s 36(1)(viii) of Income-tax Act, 1961	(1.21)	(1.16)
Final dividend on equity shares	(10.11)	(9.57)
Interim dividend on equity shares	(16.40)	(9.84)
Total appropriations	<u>(77.27)</u>	<u>(60.76)</u>
	<u>850.75</u>	<u>679.63</u>
Retained earnings	<u>850.75</u>	<u>679.63</u>
Other comprehensive income		
Outstanding at the beginning of the year	99.33	114.50
Loans and advances through other comprehensive Income	20.06	(25.24)
Impairment on loans and advances through OCI	27.01	3.72
Income tax relating to items that will be reclassified to profit or loss	(5.05)	6.35
Effect of changes in the Group's interest	0.03	-
Other comprehensive income for the year, net of tax	<u>141.38</u>	<u>99.33</u>
	<u>1,618.72</u>	<u>1,463.99</u>
Total other equity	<u>1,618.72</u>	<u>1,463.99</u>

21.1 Nature and purpose of reserve

1 Reserve u/s. 45-IC of the RBI Act, 1934

Reserve u/s. 45-IC of RBI Act, 1934 is created in accordance with section 45 IC(1) of the RBI Act, 1934. As per Section 45 IC(2) of the RBI Act, 1934, no appropriation of any sum from this reserve fund shall be made by the NBFC except for the purpose as may be specified by RBI.

2 Reserve fund u/s. 29C of NHB Act

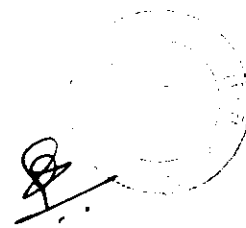
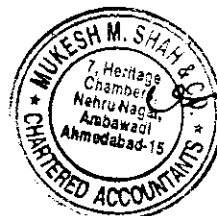
Special reserve has been created in terms of section 36(1) (viii) of the Income-tax Act, 1961 out of the distributable profits of the subsidiary company. As per section 29C of NHB Act, the subsidiary company is required to transfer at least 20% of its net profits prior to distribution of dividend every year to a reserve. For this purpose any special reserve created by the subsidiary company in terms of section 36(1) (viii) of the Income-tax Act, 1961 is considered an eligible transfer.

3 Equity component of compound financial instruments - optionally convertible preference shares

Equity component of compound financial instruments represents equity component of OCPS of subsidiary company.

4 Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes in accordance with the provisions of section 52 the Act.



MAAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

AS AT 31 MARCH 2024

(₹ in Crores)

21 Other equity (Continued)

21.1 Nature and purpose of reserve (Continued)

5 Retained earnings

Retained earnings is the accumulated available profit of the Group carried forward from earlier years. These reserve are free reserves which can be utilised for any purpose as may be required.

The Group recognises change on account of remeasurement of the net defined benefit liability (asset) as part of retained earnings with separate disclosure, which comprises of

- i) actuarial gains and losses;
- ii) return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); and
- iii) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset).

6 Other comprehensive income

On equity investments

The Holding Company has elected to recognise changes in the fair value of investments in equity securities in OCI. These changes are accumulated within the FVOCI equity investments reserve within equity. The Group transfers amounts from these reserves to retained earnings when the relevant equity securities are derecognised.

On loans and advances

The Group recognises changes in the fair value of loans and advances in OCI. These changes are accumulated within the FVOCI - loans and advances reserve within equity. The Group transfers amounts from these reserves to retained earnings when the loans and advances are sold. Further, impairment loss allowances on the loans measured at FVOCI are recognised in OCI.

21.2 Equity dividend paid and proposed

	31 March 2024	31 March 2023
Declared and paid during the year (Pre-Bonus)		
Dividends on equity shares:		
Final dividend for 31 March 2023: ₹ 1.85 per share (31 March 2022: ₹ 1.75 per share)	10.11	9.57
Interim dividend for 31 March 2024: ₹ 3.00 per share (31 March 2023 : ₹ 1.80 per share)	16.40	9.84
Total dividend paid	26.51	19.41

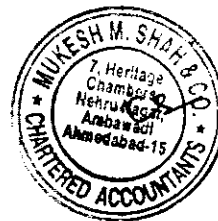
Proposed for approval at Annual General Meeting (not recognised as a liability)

Dividend on equity shares:

Final dividend for 31 March 2024: ₹ 0.51 per share (31 March 2023: ₹ 1.85 per share)

8.36 10.11

Note : During the F.Y 2023-24 Holding Company has paid the interim dividend of ₹ 3.00 per share - pre bonus - (₹ 1 ex-bonus). Additionally, the Board has proposed the final dividend @ 5.10% i.e. ₹ 0.51 per share subject to the approval of the Members in the ensuing Annual General Meeting.



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HA S FINANCIAL SERVICES LIMITED

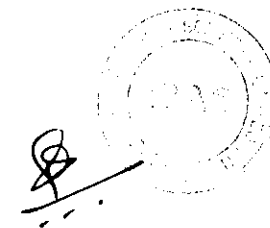
NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2024

(₹ in Crores)

22 Interest income

	Year ended 31 March 2024			Year ended 31 March 2023		
	On Financial assets measured at FVOCI	On Financial assets measured at Amortised Cost	Total	On financial assets measured at FVOCI	On financial assets measured at amortised cost	Total
Interest on loans	891.30	45.84	937.14	700.96	22.92	723.88
Interest income from investments	-	76.80	76.80	-	50.37	50.37
Interest on deposits with banks	-	57.42	57.42	-	39.46	39.46
Other interest income	5.55	0.18	5.73	3.69	16.64	20.33
Total	896.85	180.24	1,077.09	704.65	129.39	834.04

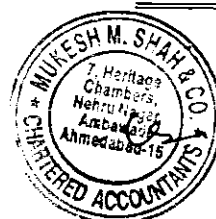


HAAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2024

(₹ in Crores)

	Year ended 31 March 2024	Year ended 31 March 2023
23 Net Gain on Fair Value Changes		
Net gain on financial instruments at fair value through profit or loss - Investments	13.27	22.19
Fair value changes:		
- Realised	10.79	19.36
- Unrealised	2.48	2.83
Total	13.27	22.19
24 Other income		
Net gain/(loss) on derecognition of property, plant and equipment	0.04	0.10
Net gain on sale of investments measured at amortized cost	4.84	1.35
Gain on derecognition of leased asset	0.04	-
Gain on foreign currency transactions	0.06	-
Income from non-financing activity	1.54	0.98
Total	6.52	2.43
25 Finance cost		
(On financial liabilities measured at amortised cost)		
Interest on borrowings	533.60	368.19
Interest on debt securities	52.29	51.76
Interest on subordinated liabilities	29.55	14.70
Other interest expense	0.11	36.03
Other borrowing cost	30.94	25.23
Lease liability interest obligation	0.22	0.10
Total	646.71	496.01
26 Impairment on financial assets		
Loans		
- Expected credit loss (On financial instruments measured at FVOCI)	27.52	4.17
- Expected credit loss (On financial instruments measured at amortised cost)	(0.51)	(0.83)
- Write off (net of recoveries)	48.16	42.93
- Loss on repossessed assets	15.50	7.40
Investments		
- Expected credit loss (On financial instruments measured at amortised cost)	(0.06)	(0.31)
Total	90.61	53.36



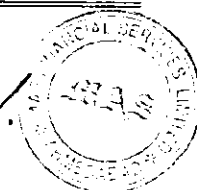
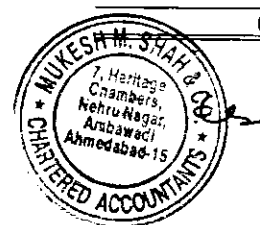
HAAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2024

(₹ in Crores)

	Year ended 31 March 2024	Year ended 31 March 2023
27 Employee benefits expense		
Salaries and wages	94.41	65.36
Contribution to provident fund and other funds (Refer note 40 (a))	2.98	2.23
Gratuity expense (Refer note 40 (b))	0.75	0.73
Staff welfare expenses	2.31	2.38
Total	100.45	70.70
28 Depreciation, amortization and impairment		
Depreciation on property, plant and equipment	3.10	2.17
Amortisation of intangible assets	0.52	0.23
Depreciation on Right-of-use asset	0.67	0.32
Total	4.29	2.72
29 Other expenses		
Rent	4.70	3.85
Rates and taxes	0.26	0.22
Stationery and printing	1.39	0.99
Telephone	0.87	0.69
Electricity	1.46	1.05
Postage and courier	1.42	1.01
Insurance	1.18	0.92
Conveyance	2.12	1.43
Travelling	4.05	3.17
Repairs and maintenance:		
Building	0.31	0.58
Others	1.16	1.23
Professional fees	11.36	8.02
Payment to auditors (refer note below)	0.59	0.48
Director's sitting fees	0.45	0.14
Legal expenses	2.19	1.87
Bank charges	2.92	1.49
Advertisement expenses	1.84	1.22
Sales promotion expenses	0.49	0.61
Recovery contract charges	0.46	0.55
Corporate social responsibility expenditure (Refer note 34)	4.58	4.34
Credit guarantee fees	6.76	2.12
Miscellaneous expenses	4.59	2.60
Total	55.15	38.58
Note: Payment to auditors		
As auditor		
Statutory audit	0.25	0.21
Limited review of quarterly results	0.31	0.26
Other services	0.03	0.01
	0.59	0.48



HAAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2024

(₹ in Crores)

30 Tax expenses

The components of income tax expense for the year ended 31 March 2024 and 31 March 2023 are:

	Year ended 31 March 2024	Year ended 31 March 2023
Current tax	83.06	67.25
Short / (Excess) provision for tax relating to prior years	(0.21)	(2.47)
Deferred tax	2.81	1.07
Total tax charge	85.66	65.85
Current tax	82.85	64.76
Deferred tax	2.81	1.07

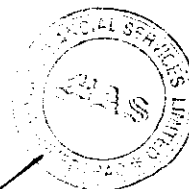
30.1 Reconciliation of the total tax charge

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the years ended 31 March 2024 and 31 March 2023 is, as follows:

	Year ended 31 March 2024	Year ended 31 March 2023
Accounting profit before tax	339.67	271.65
Applicable tax rate	25.168%	25.168%
Computed tax expense	85.49	68.37
Tax effect of:		
Exempted income	(0.32)	(0.30)
Additional deduction	(0.32)	(0.32)
Non deductible items	1.16	1.28
Short / (Excess) provision for tax relating to prior years	(0.21)	(2.47)
Others	(0.14)	(0.73)
Tax expenses recognised in the statement of profit and loss	85.66	65.83
Effective tax rate	25.22%	24.23%

30.2 Deferred tax

	As at 31 March 2024	As at 31 March 2023
Deferred tax asset / liability (net)		
The movement on the deferred tax account is as follows:		
At the start of the year DTA / (DTL) (net)	19.33	14.21
Credit / (charge) for loans and advances through OCI	(4.80)	6.21
Credit / (charge) for remeasurement of the defined benefit liabilities	0.13	(0.02)
Credit / (charge) to the statement of profit and loss	(2.81)	(1.07)
At the end of year DTA / (DTL)	11.85	19.33



HAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2024

(₹ in Crores)

30 Tax expenses (Continued)

30.2 Deferred tax (Continued)

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

	As at 31 March 2023	Statement of profit and loss	OCI	As at 31 March 2024
Component of deferred tax asset / (liability)				
Deferred tax asset / (liability) in relation to:				
Difference between written down value of fixed assets as per books of accounts and income tax	(0.46)	(0.14)	-	(0.60)
Deferred tax on fair value of investments	(0.01)	(0.62)	-	(0.63)
Impact of fair value of assets	5.13	0.02	(4.80)	0.35
Income taxable on realised basis	(8.64)	(4.11)	-	(12.75)
Deferred tax on prepaid finance charges	(3.94)	(5.18)	-	(9.12)
Impairment on financial assets	27.32	6.78	-	34.10
Recognition of lease asset and right to use asset	0.03	0.02	-	0.05
Expenses allowable on payment basis	(0.10)	0.42	0.13	0.45
Total	19.33	(2.81)	(4.67)	11.85

	As at 31 March 2022	Statement of profit and loss	OCI	As at 31 March 2023
Component of deferred tax asset / (liability)				
Deferred tax asset / (liability) in relation to:				
Difference between written down value of fixed assets as per books of accounts and income tax	(0.39)	(0.07)	-	(0.46)
Deferred tax on fair value of investments	(0.01)	-	-	(0.01)
Impact of fair value of assets	(1.06)	(0.02)	6.21	5.13
Income taxable on realised basis	(10.81)	2.17	-	(8.64)
Deferred tax on prepaid finance charges	(0.16)	(3.78)	-	(3.94)
Impairment on financial assets	26.56	0.76	-	27.32
Recognition of lease asset and right to use asset	0.02	0.01	-	0.03
Expenses allowable on payment basis	0.06	(0.14)	(0.02)	(0.10)
Total	14.21	(1.07)	6.19	19.33

30.3 Current tax liabilities

	As at 31 March 2024	As at 31 March 2023
Provision for tax [net of advance tax of ₹ 78.51 crores (31 March 2023: ₹ 65.17 crores)]	4.70	2.06

30.4 Income tax assets

	As at 31 March 2024	As at 31 March 2023
Income tax assets [net of provision for tax of ₹ 2.52 crores (31 March 2023: ₹ 2.52 crores)]	2.52	2.52



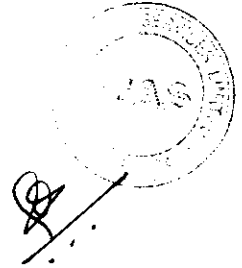
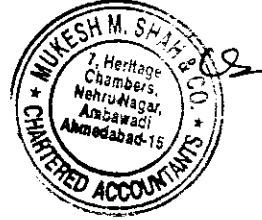
AAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2024

(₹ in Crores)

	Year ended 31 March 2024	Year ended 31 March 2023
31 Earnings per share		
(A) Basic earnings per share		
Computation of profit (numerator)		
Net profit for the year attributable to the owners of the Holding Company (basic)	251.05	203.26
Weighted average number of equity shares of ₹ 10 each	16,39,86,129	16,39,86,129
Basic earnings per share of face value of ₹ 10 each (in ₹)	15.31	12.39
(B) Diluted earnings per share		
Net profit for the year attributable to the owners of the Holding Company (diluted)	251.05	203.26
Weighted average number of equity shares of ₹ 10 each	16,39,86,129	16,39,86,129
Diluted earnings per share of face value of ₹ 10 each (in ₹)	15.31	12.39

Note : The basic and diluted earnings per share have been computed for previous year on the basis of the adjusted number of equity shares in accordance with bonus issue of shares.



MASS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2024

(₹ in Crores)

32 Revenue from contracts with customers

Set out below is the disaggregation of the Group's revenue from contracts with customers and reconciliation to statement of profit and loss:

	Year ended 31 March 2024	Year ended 31 March 2023
Type of income		
Services charges	0.21	0.08
Others	66.68	51.47
Total revenue from contracts with customers	66.89	51.55
Geographical markets		
India	66.89	51.55
Outside India	-	-
Total revenue from contracts with customers	66.89	51.55
Timing of revenue recognition		
Services transferred at a point in time	66.89	51.55
Services transferred over time	-	-
Total revenue from contracts with customers	66.89	51.55

33 Contingent liabilities and commitments (to the extent not provided for)

	As at 31 March 2024	As at 31 March 2023
(A) Contingent liabilities	0.12	0.12
I) In respect of disputed income-tax matters :		
(B) Commitments		
I) Estimated amount of contracts remaining to be executed on capital account and not provided for:		
Property, plant & equipment and Capital work in progress	0.12	1.39
II) Loan commitments for sanctioned but not disbursed amount	22.25	13.19

- After adjusting the amount of refund claimed by the group amounting ₹ 0.33 Crore.
- The Group's pending litigations comprise of proceedings pending with Income Tax and other authorities. The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The amount of provisions / contingent liabilities is based on management's estimate, and no significant liability is expected to arise out of the same.

34 Corporate social responsibility ("CSR") expenses:

The average profit before tax of the Group for the last three financial years was ₹ 229.12 crores, basis which the Group was required to spend ₹ 4.58 crores towards CSR activities for the current financial year (31 March 2023: ₹ 4.34 crores).

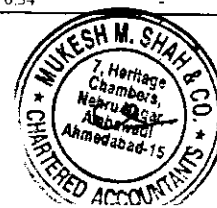
a) Amount spent during the year on:

Particulars	31 March 2024			31 March 2023		
	Amount Spent	Amount Unpaid/ provision	Total	Amount Spent	Amount Unpaid/ provision	Total
Construction / acquisition of any asset On purpose other than (i) above	0.49	4.09	4.58	0.36	3.98	4.34

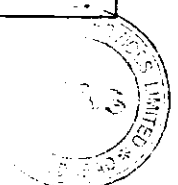
b) The Group has not made any transaction with related parties in relation to CSR expenditure as per Ind AS 24.

c) In case of Section 135(6): Details of ongoing projects

F.Y.	Opening balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
	With Group	In Separate CSR Unspent A/c		From Group's bank A/c	From Separate CSR Unspent A/c	With Group	In Separate CSR Unspent A/c
2023-24	-	9.32	4.58	0.49	3.60	4.09	5.72
2022-23	-	6.91	4.34	0.36	1.57	3.98	5.34
2021-22	-	3.84	4.41	0.42	0.92	3.99	2.92
2021-22	Nil	N.A.	4.18	0.34	-	3.84	-



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AFS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2024

(₹ in Crores)

Note: Unspent CSR amount of ₹ 3.98 crores for FY 2022-23 was deposited in unspent CSR bank account on 27 April 2023. Unspent amount of ₹ 4.09 crores available with the Group is transferred to an unspent CSR account on 29 April 2024.

- d) **Reason for shortfall** : The Group has ongoing projects and it is spending the said amount as per pre-approved ongoing projects. For more details, refer annexure of Director's report on CSR.
- e) **Nature of CSR activities**: Promoting education, eradicating hunger, poverty & malnutrition, promoting health care and such other activities. For more details, refer annexure of Director's report on CSR.

35 Segment reporting:

Operating segment are components of the Group whose operating results are regularly reviewed by the Chief Operating Decision Maker ("CODM") to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

The Group is engaged primarily on the business of 'Financing' only, taking into account the risks and returns, the organization structure and the internal reporting systems. All the operations of the Group are in India. All non-current assets of the Group are located in India. Accordingly, there are no separate reportable segments as per Ind AS 108 - 'Operating Segments'.

36 Related party disclosures:

(a) Related party disclosures as required by Ind AS 24 - 'Related Party Disclosures'.

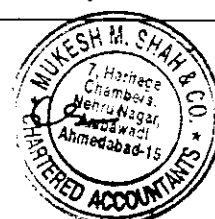
List of related parties and relationships:

Sr. No.	Nature of Relationship	
1	Key management personnel ("KMP") (where there are transactions)	Mr. Kamlesh C. Gandhi (Chairman and managing director) Mrs. Darshana S. Pandya (Director and chief executive officer) Mr. Balabhaskaran Nair (Independent director) (retired w.e.f 31 March 2024) Mr. Umesh Shah (Independent director) Mr. Chetanbhai Shah (Independent director) (retired w.e.f 31 March 2024) Mr. Narayanan Sadanandan (appointed w.e.f 21 June 2023) Mrs. Daksha Shah (Independent director)
2	Other related parties (where there are transactions)	Prarthna Marketing Private Limited Anamaya Capital LLP Mr. Kamlesh C. Gandhi (As Executor of will of Late Mr. Mukesh C. Gandhi, relative of KMP) Mrs. Shweta K. Gandhi (relative of KMP) Mr. Dhvani K. Gandhi (relative of KMP) Mr. Saumil D. Pandya (relative of KMP) Ms. Dhriti K. Gandhi (relative of KMP) Umesh Rajankant Shah HUF (relative of KMP) Pauravi Umesh Shah (relative of KMP)

Transactions with related parties are as follows:

	Year ended 31 March 2024		
	Key management personnel	Other related parties	Total
Remuneration (including bonus)	7.32	1.22	8.54
Dividend paid	3.10	16.51	19.61
Interest on Loan Received	0.01	-	0.01
Sitting fees	0.41	-	0.41

	Year ended 31 March 2023		
	Key management personnel	Other related parties	Total
Remuneration (including bonus)	5.87	0.95	6.82
Dividend paid	2.27	12.09	14.36
Interest on Loan Received	0.02	-	0.02
Sitting fees	0.12	-	0.12



MASS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2024

(₹ in Crores)

Balances outstanding from related parties are as follows:

	As at 31 March 2024		
	Key management personnel	Other related parties	Total
Bonus payable	0.39	0.03	0.42

	As at 31 March 2023		
	Key management personnel	Other related parties	Total
Loans and advances given	0.13	-	0.13
Bonus payable	0.31	0.03	0.34

All transactions with these related parties are priced on an arm's length basis. None of the balances are secured.

Key managerial personnel who are under the employment of the Group are entitled to post employment benefits and other employee benefits recognised as per Ind AS 19 - Employee Benefits in the financial statements.

Compensation to key management personnel are as follows:

	Year ended 31 March 2024	Year ended 31 March 2023
Short-term employee benefits	7.19	5.74
Post-employment benefits	0.02	0.02
Other long term employment benefits	0.01	(0.01)
	<u>7.22</u>	<u>5.75</u>

The remuneration of key management personnel are determined by the nomination and remuneration committee having regard to the performance of individuals and market trends.

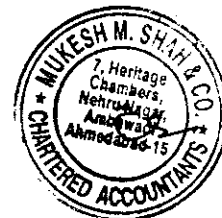
37 Offsetting

Following table represents the recognised financial assets that are offset, or subject to enforceable master netting arrangements and other similar arrangements but not offset, as at 31 March 2024 & 31 March 2023. The column 'net amount' shows the impact of Group's balance sheet if all the set-off rights were exercised.

	Effect of offsetting on the balance sheet			Related amount not offset	
	Gross amounts	Gross amount offset in balance sheet (refer note 1)	Net amount presented in balance sheet	Financial instrument collateral (refer note 2)	Net amount
31 March 2024					
Loans and advances	7,732.87	13.43	7,719.44	1.40	7,718.04
31 March 2023					
Loans and advances	6,256.20	9.96	6,246.24	2.00	6,244.24

Note:

- ₹ 13.43 crores (31 March 2023: ₹ 9.96 crores) represents advances received against loan agreements.
- ₹ 1.40 crores (31 March 2023: 2.00 crores) represents security deposits received from borrowers.



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MAFAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2024

(₹ in Crores)

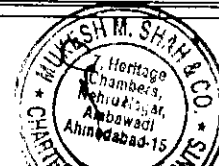
38 Additional information as required by Paragraph 2 of the general instructions for preparation of the consolidated financial statements to schedule III to the Act.

As at 31 March 2024

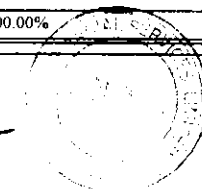
Name of entity in the Group	Net assets, i.e., total assets minus total liabilities		Share of profit or loss		Share of other comprehensive income (OCI)		Share of Total Comprehensive Income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Holding Company								
MAFAS Financial Services Limited	100.56%	1,828.51	96.94%	246.24	113.38%	15.76	97.80%	262.00
Subsidiary								
MAFAS Rural Housing & Mortgage Finance Limited	4.11%	74.81	1.91%	4.86	(8.13%)	(1.13)	1.39%	3.73
MASFIN Insurance Broking Private Limited	(6.63%)	(120.61)	(0.02%)	(0.05)	0.00%	-	(0.02%)	(0.05)
Non-controlling interest	1.97%	35.86	1.17%	2.96	(5.25%)	(0.73)	0.83%	2.23
Total	100.01%	1,818.57	100.00%	254.01	100.00%	13.90	100.00%	267.91

As at 31 March 2023

Name of entity in the Group	Net assets, i.e., total assets minus total liabilities		Share of profit or loss		Share of other comprehensive income (OCI)		Share of Total Comprehensive Income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Holding Company								
MAFAS Financial Services Limited	94.47%	1,459.21	96.52%	198.22	105.59%	(19.45)	95.40%	178.77
Subsidiary								
MAFAS Rural Housing & Mortgage Finance Limited	3.82%	58.96	2.45%	5.05	(3.31%)	0.61	3.02%	5.66
MASFIN Insurance Broking Private Limited	0.03%	0.48	(0.01%)	(0.01)	0.00%	-	(0.01%)	(0.01)
Non-controlling interest	1.68%	26.02	1.24%	2.56	(2.28%)	0.42	1.59%	2.98
Total	100.00%	1,544.67	100.00%	205.82	100.00%	(18.42)	100.00%	187.40



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HAAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2024

(₹ in Crores)

39 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

	As at 31 March 2024			As at 31 March 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	212.67	-	212.67	238.67	-	238.67
Bank balance other than above	641.75	24.08	665.83	88.80	476.49	565.29
Trade Receivables	6.54	-	6.54	4.30	-	4.30
Loans	4,470.10	3,249.34	7,719.44	3,666.30	2,579.94	6,246.24
Investments	509.21	216.95	726.16	489.88	301.16	791.04
Other financial assets	55.32	23.54	78.86	46.68	14.95	61.63
Non-financial assets						
Income tax assets (net)	-	2.52	2.52	-	2.52	2.52
Deferred tax Assets (net)	-	11.85	11.85	-	19.33	19.33
Property, plant and equipment	-	21.23	21.23	-	14.66	14.66
Capital work-in-progress	-	69.80	69.80	-	57.66	57.66
Right-of-use asset	0.86	2.33	3.19	0.43	0.75	1.18
Intangible assets under development	-	0.24	0.24	-	0.33	0.33
Other Intangible assets	-	1.01	1.01	-	1.03	1.03
Other non-financial assets	27.96	0.04	28.00	11.34	-	11.34
Total assets	5,924.41	3,622.93	9,547.34	4,546.40	3,468.82	8,015.22
LIABILITIES						
Financial liabilities						
Trade payables	21.15	-	21.15	14.68	-	14.68
Other payables	1.89	-	1.89	1.84	-	1.84
Debt securities	105.71	521.15	626.86	522.26	105.00	627.26
Borrowings (other than debt securities)	3,158.41	3,338.47	6,496.88	2,726.34	2,521.23	5,247.57
Subordinated liabilities	-	302.11	302.11	-	252.70	252.70
Other financial liabilities	253.26	5.10	258.36	306.02	4.32	310.34
Non-financial liabilities						
Current tax liabilities (net)	4.70	-	4.70	2.06	-	2.06
Provisions	9.90	0.21	10.11	9.37	0.12	9.49
Other non-financial liabilities	6.71	-	6.71	4.61	-	4.61
Total liability	3,561.73	4,167.04	7,728.77	3,587.18	2,883.37	6,470.55
Net	2,362.68	(544.11)	1,818.57	959.22	585.45	1,544.67



HAAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2024

(₹ in Crores)

40 Employee benefit plan

Disclosure in respect of employee benefits under Ind AS 19 - Employee Benefit are as under:

(a) Defined contribution plan

The Group's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans. The Group's contribution to provident fund aggregating ₹ 2.62 Crore (31 March 2023: ₹ 1.92 Crore) and employee state insurance scheme aggregating ₹ 0.13 Crore (31 March 2023: ₹ 0.13 Crore) has been recognised in the statement of profit and loss under the head employee benefits expense.

(b) Defined benefit plans:

Gratuity

The Group operates a defined benefit plan (the "gratuity plan") covering eligible employees. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age / resignation date.

The defined benefit plans expose the Group to risks such as actuarial risk, investment risk, liquidity risk, market risk, legislative risk. These are discussed as follows:

Actuarial risk: It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse salary growth experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

Investment risk: For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

Liquidity risk: Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the Group, there can be strain on the cash flows.

Market risk: Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in defined benefit obligation of the plan benefits and vice versa. This assumption depends on the yields on the government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

Legislative risk: Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act, 1972, thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the defined benefit obligation and the same will have to be recognized immediately in the year when any such amendment is effective.



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HAAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2024

(₹ in Crores)

40 Employee benefit plan (Continued)

(b) Defined benefit plans: (Continued)

The status of gratuity plan as required under Ind AS-19 is as under:

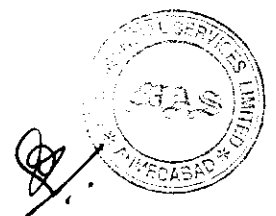
	As at 31 March 2024	As at 31 March 2023
i. Reconciliation of opening and closing balances of defined benefit obligation		
Present value of defined benefit obligations at the beginning of the year	4.23	3.67
Current service cost	0.83	0.76
Interest cost	0.28	0.25
Benefit paid	(0.17)	(0.21)
Re-measurement (or Actuarial) (gain) / loss arising from:		
Change in demographic assumptions	(0.10)	(0.18)
Change in financial assumptions	0.01	(0.07)
Experience adjustments	0.68	0.01
Present value of defined benefit obligations at the end of the year	5.76	4.23
ii. Reconciliation of opening and closing balances of the fair value of plan assets		
Fair value of plan assets at the beginning of the year	4.92	3.67
Interest income	0.36	0.28
Return on plan assets excluding amounts included in interest income	0.08	(0.16)
Contributions by employer	2.16	1.34
Benefits paid	(0.17)	(0.21)
Fair value of plan assets at the end of the year	7.35	4.92
iii. Reconciliation of the present value of defined benefit obligation and fair value of plan assets		
Present value of defined benefit obligations at the end of the year	5.76	4.23
Fair value of plan assets at the end of the year	7.35	4.92
Net asset / (liability) recognized in balance sheet as at the end of the year	1.59	0.69

iv. Composition of plan assets

100% of plan assets are administered by LIC.

	Year ended 31 March 2024	Year ended 31 March 2023
v. Expense recognised during the Year		
Current service cost	0.83	0.76
Interest cost	(0.08)	(0.03)
Expenses recognised in the statement of profit and loss	0.75	0.73
vi. Other comprehensive income		
Components of actuarial gain/losses on obligations:		
Due to change in financial assumptions	0.01	(0.07)
Due to change in demographic assumption	(0.10)	(0.18)
Due to experience adjustments	0.68	0.01
Return on plan assets excluding amounts included in interest income	(0.08)	0.16
Components of defined benefit costs recognised in other comprehensive income	0.51	(0.08)
vii. Principal actuarial assumptions		
Discount rate (per annum)	7.15%	7.30%
Rate of return on plan assets (p.a.)	7.15%	7.30%
Annual increase in salary cost	8.00%	8.00%
Withdrawal rates per annum		
25 and below	35.00%	30.00%
26 to 35	30.00%	25.00%
36 to 45	25.00%	20.00%
46 to 55	20.00%	15.00%
56 and above	20.00%	15.00%

The discount rate is based on the prevailing market yields of Government of India's bond as at the balance sheet date for the estimated term of the obligations.



AAAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2024

(₹ in Crores)

40 Employee benefit plan (Continued)

(b) Defined benefit plans: (Continued)

viii. Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and withdrawal rates. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting year, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Defined benefit obligation (base)	Year ended 31 March 2024		Year ended 31 March 2023	
	Decrease	Increase	Decrease	Increase
Discount rate (- / + 0.5%)	5.89	5.67	4.33	4.13
(% change compared to base due to sensitivity)	2.26%	(1.56%)	2.36%	(2.30%)
Salary Growth Rate (- / + 0.5%)	5.68	5.87	4.14	4.31
(% change compared to base due to sensitivity)	(1.39%)	1.91%	(2.13%)	1.89%
Withdrawal Rate (W.R.) (W.R. x 90% / W.R. x 110%)	5.85	5.71	4.26	4.20
(% change compared to base due to sensitivity)	1.56%	(0.87%)	0.71%	(0.71%)

ix. Asset liability matching strategies

The Group contributes to the insurance fund based on estimated liability of next financial year end. The projected liability statements is obtained from the actuarial valuer.

x. Effect of plan on entity's future cash flows

a) Funding arrangements and funding policy

The Group has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Group. Any deficit in the assets arising as a result of such valuation is funded by the Group.

b) Maturity profile of defined benefit obligation

The average outstanding term of the obligations (years) as at valuation date is 3.95 to 4.10 years.

Expected cash flows over the next (valued on undiscounted basis):	Cash flows (₹) as at	
	31 March 2024	31 March 2023
1st following year	1.27	0.76
2nd following year	1.04	0.66
3rd following year	0.87	0.60
4th following year	0.76	0.53
5th following year	0.74	0.47
Sum of years 6 to 10	2.11	1.83

The future accrual is not considered in arriving at the above cash-flows.

The expected contribution for the next year is ₹ 1.04 Crore.

(C) Other long term employee benefits

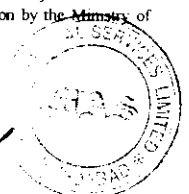
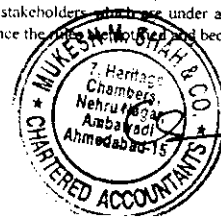
	As at	
	31 March 2024	31 March 2023
Discount Rate	7.15%	7.30%
Salary Growth Rate	8.00%	8.00%
Mortality Rates base	Indian Assured Lives mortality (2012-14)	Indian Assured Lives mortality (2012-14)

The Group has not funded its compensated absences liability and the same continues to remain as unfunded as at 31 March 2023

The liability for compensated absences is ₹ 0.29 Crore (31 March 2023: ₹ 0.17 Crore).

Code on Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which subsumes the provident fund Act and the gratuity Act and rules there under. The Ministry of Labour and Employment has also released draft rules thereunder on 13 November 2020 and has invited suggestions from stakeholders which are under active consideration by the Ministry of Labour and Employment. The Group will evaluate the rules, assess the impact, if any, and account for the same once the rules become effective.



MAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2024

(₹ in Crores)

41 Financial instrument and fair value measurement

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.

This note describes the fair value measurement of both financial and non-financial instruments

A. Measurement of fair values

i) Financial instruments - fair value

The fair value of financial instruments as referred to in note (B) below have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 Measurements) and lowest priority to unobservable inputs (Level 3 measurement).

The categories used are as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments

Level 2: The fair value of financial instruments that are not traded in active market is determined using valuation technique which maximizes the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value on instrument are observable, the instrument is included in level 2; and

Level 3: If one or more of significant input is not based on observable market data, the instrument is included in level 3.

ii) Transfers between levels 1 and 2

There has been no transfer in between level 1 and level 2

iii) Valuation techniques

Loans

The Group has computed fair value of the loans and advances through OCI considering its business model. These have been fair valued using the base of the interest rate of loan disbursed in the last month of the year which is an unobservable input and therefore these has been considered to be fair valued using level 3 inputs.

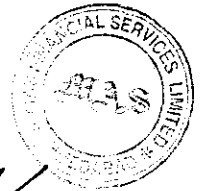
Investments measured at FVTPL

Fair values of market linked debentures and mutual funds have been determined under level 1 using quoted market prices(unadjusted) of the underlying instruments. Fair value of investment in alternate investment funds have been determined under level 2 using observable input.

B. Accounting classifications and fair values

The carrying amount and fair value of financial instruments including their levels in the fair value hierarchy presented below:

As at 31 March 2024	Carrying amount			Fair value			Total
	Amortised cost	FVOCI	FVTPL	Level 1	Level 2	Level 3	
Financial assets measured at fair value							
Loans measured at FVOCI	-	7,448.93	-	-	-	7,448.93	7,448.93
Derivative financial instruments	-	-	2.02	2.02	-	-	2.02
Investments measured at FVTPL	-	-	59.45	6.14	53.31	-	59.45
	-	7,448.93	61.47				
Financial assets not measured at fair value¹							
Cash and cash equivalents	212.67	-	-	212.67	-	-	212.67
Bank balance other than cash and cash equivalents	665.83	-	-	665.83	-	-	665.83
Trade receivables	6.54	-	-	-	-	6.54	6.54
Loans measured at amortised cost	270.51	-	-	-	-	273.57	273.57
Investment measured at amortised cost	666.71	-	-	-	-	667.04	667.04
Other financial asset	76.84	-	-	-	-	76.71	76.71
	1,899.10	-	-				
Financial liabilities not measured at fair value¹							
Trade payables	21.15	-	-	-	-	21.15	21.15
Other payables	1.89	-	-	-	-	1.89	1.89
Debt securities	626.86	-	-	-	-	643.84	643.84
Borrowings (other than debt securities)	6,496.88	-	-	-	-	6,524.47	6,524.47
Subordinated liabilities	302.11	-	-	-	-	310.00	310.00
Other financial liabilities	258.36	-	-	-	-	258.36	258.36
	7,707.25	-	-				



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FIAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2024

(₹ in Crores)

41 Financial instrument and fair value measurement (Continued)

B. Accounting classifications and fair values (Continued)

As at 31 March 2023	Carrying amount			Fair value			Total
	Amortised cost	FVOCI	FVTPL	Level 1	Level 2	Level 3	
Financial assets measured at fair value							
Loans measured at FVOCI	-	6,038.39	-	-	-	6,038.39	6,038.39
Investments measured at FVTPL	-	-	231.90	181.45	50.45	-	231.90
	-	6,038.39	231.90				
Financial assets not measured at fair value¹							
Cash and cash equivalents	238.67	-	-	238.67	-	-	238.67
Bank balances other than cash and cash equivalents	565.29	-	-	565.29	-	-	565.29
Trade receivables	4.30	-	-	-	-	4.30	4.30
Loans measured at amortised cost	207.85	-	-	-	-	207.66	207.66
Investment measured at amortised cost	559.14	-	-	-	-	559.53	559.53
Other financial assets	61.63	-	-	-	-	61.56	61.56
	1,636.88	-	-				
Financial liabilities not measured at fair value¹							
Trade payables	14.68	-	-	-	-	14.68	14.68
Other payables	1.84	-	-	-	-	1.84	1.84
Debt securities	627.26	-	-	-	-	634.96	634.96
Borrowings (other than debt securities)	5,247.57	-	-	-	-	5,275.41	5,275.41
Subordinated liabilities	252.70	-	-	-	-	260.00	260.00
Other financial liabilities	310.34	-	-	-	-	310.34	310.34
	6,454.39	-	-				

¹ The Group has not disclosed the fair values for cash and cash equivalents, bank balances, investment in debt securities, interest accrued but not due on loans and advances, bank deposits and investment, trade payables and other financial liabilities as these are short term in nature and their carrying amounts are a reasonable approximation of fair value.

Reconciliation of level 3 fair value measurement is as follows:

	Year ended 31 March 2024	Year ended 31 March 2023
i) Loans		
Balance at the beginning of the year	6,079.90	4,673.78
Addition during the year	5,895.32	4,782.49
Amount derecognised / repaid during the year	(4,430.86)	(3,309.03)
Amount written off	(48.13)	(42.65)
Gains/(losses) recognised in other comprehensive income	19.08	(24.69)
Balance at the end of the year	7,515.31	6,079.90

* The above classification also includes balance of spread receivable on assigned portfolio. (Refer note 10)

Sensitivity analysis to fair value

	Increase	Amount, net of tax	Decrease
31 March 2024			
Loans			
Interest rates (50 bps movement)		(22.97)	19.52
31 March 2023			
Loans			
Interest rates (50 bps movement)		(14.68)	16.97

42 Capital

The Group maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the local banking supervisor, RBI and NHB. The adequacy of the Group's capital is monitored using, among other measures, the regulations issued by RBI and NHB.

The Group has complied in full with all its externally imposed capital requirements over the reported period. Equity share capital and other equity are considered for the purpose of Group's capital management.

42.1 Capital management

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

The Group manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.



MAAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2024

(₹ in Crores)

43 Financial risk management objectives and policies

The Group's principal financial liabilities comprise borrowings and trade payables. The main purpose of these financial liabilities is to finance the Group's operations and to support its operations. The Group's financial assets include loan and advances, cash and cash equivalents that derive directly from its operations.

The Group is exposed to credit risk, liquidity risk and market risk. The Group's board of directors has an overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group's risk management committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

43.1 Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counter-party to financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers and loans.

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

(a) Loans and advances

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 associated with the industry.

The Group has established a credit policy under which each new customer is analysed individually for creditworthiness before sanctioning any loan. The Group's review includes external ratings, if they are available, financial statements, credit agency information, industry information, the loan-to-value ratio etc.

The Group's exposure to credit risk for loans and advances by type of counterparty is as follows:

	Carrying Amount	
	As at 31 March 2024	As at 31 March 2023
Retail assets		
Two wheeler loans	4,443.14	3,312.58
Micro enterprise loans	348.02	317.60
Salaried personal loans	1,396.38	1,210.59
Small and medium enterprise loans	313.13	247.94
Commercial vehicle loans	1,606.62	1,080.11
Housing & non-housing loans	375.78	170.04
RAC loans	403.21	286.30
Total	3,348.00	2,979.56
	7,791.14	6,292.14

Narrative Description of Collateral

Collateral primarily include vehicles purchased by retail loan customers and machinery & property in case of SME customers. The secured exposure are secured wholly or partly by hypothecation of assets and undertaking to create a security.

An impairment analysis is performed at each reporting date based on the facts and circumstances existing on that date to identify expected losses on account of time value of money and credit risk. For the purposes of this analysis, the loan receivables are categorised into groups based on days past due. Each group is then assessed for impairment using the ECL model as per the provisions of Ind AS 109 - financial instruments.

(i) Staging:

As per the provision of Ind AS 109, all financial instruments are allocated to stage 1 on initial recognition. However, if a significant increase in credit risk is identified at the reporting date compared with the initial recognition, then an instrument is transferred to stage 2. If there is objective evidence of impairment, then the asset is credit impaired and transferred to stage 3.

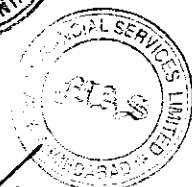
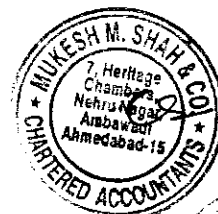
The Group considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes 90 days past due on its contractual payments.

For financial assets in stage 1, the impairment calculated based on defaults that are possible in next twelve months, whereas for financial instrument in stage 2 and stage 3 the ECL calculation considers default event for the lifespan of the instrument.

As per Ind AS 109, the Group assesses whether there is a significant increase in credit risk at the reporting date from the initial recognition. The Group has staged the assets based on the days past due criteria and other market factors which significantly impacts the portfolio.

Group's internal credit rating grades and staging criteria for loans are as follows:

Days past due status	Stage	Internal grade	Provisions
Current	Stage 1	High Quality assets, negligible credit risk	12 Months Provision
1-30 Days	Stage 1	High Quality assets, negligible credit risk	12 Months Provision
31-60 Days	Stage 2	Quality assets, low credit risk	Lifetime Provision
61-90 Days	Stage 2	Standard assets, moderate credit risk	Lifetime Provision
91-180 Days	Stage 3	Sub-standard assets, relatively high credit risk	Lifetime Provision
>180 Days	Stage 3	Low quality assets, very high credit risk	Lifetime Provision



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MA S FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2024

(₹ in Crores)

43 Financial risk management objectives and policies (Continued)

43.1 Credit risk (Continued)

(ii) Grouping:

As per Ind AS 109, the Group is required to group the portfolio based on the shared risk characteristics. The Group has assessed the risk and its impact on the various portfolios and has divided the portfolio into following groups:

- a. Two wheeler loans
- b. Micro enterprise loans
- c. Salaried personal loans
- d. Small and medium enterprise loans
- e. Commercial vehicle loans
- f. Retail asset channel loans
- g. Housing & non-housing loans

(iii) ECL:

ECL on financial assets is an unbiased probability weighted amount based out of possible outcomes after considering risk of credit loss even if probability is low. ECL is calculated based on the following components:

- a. Probability of default ("PD")
- b. Loss given default ("LGD")
- c. Exposure at default ("EAD")
- d. Discount factor ("D")

For RAC loan portfolio, the Group has developed internal rating based approach for the purpose of ECL. The credit rating framework of the Group consists of various parameters based on which RAC loan portfolio is evaluated and credit rating is assigned accordingly. The credit rating matrix developed by the Group is validated in accordance with its ECL policy.

The Group has developed its PD matrix based on the external benchmarking of various external reports, ratings & Basel norms. This PD matrix is calibrated with its historical data and major events on regular time interval in accordance with its ECL policy.

Probability of default:

PD is defined as the probability of whether borrowers will default on their obligations in the future. Historical PD is derived from internal data calibrated with forward looking macroeconomic factors.

For computation of probability of default ("PD"), Vasicek Single Factor Model was used to forecast the PD term structure over lifetime of loans. As per Vasicek model, given long term PD and current macroeconomic conditions, conditional PD corresponding to current macroeconomic condition is estimated. Group has worked out on PD based on the last five years historical data.

The PDs derived from the vasicek model, are the cumulative PDs, stating that the borrower can default in any of the given years, however to compute the loss for any given year, these cumulative PDs have to be converted to marginal PDs. Marginal PDs is probability that the obligor will default in a given year, conditional on it having survived till the end of the previous year.

As per Ind AS 109, expected loss has to be calculated as an unbiased and probability-weighted amount for multiple scenarios.

The probability of default was calculated for 3 scenarios: upside (11%), downside (21%) and base (68%). This weightage has been decided on best practices and expert judgement. Marginal conditional probability was calculated for all 3 possible scenarios and one conditional PD was arrived as conditional weighted probability.

Loss given default:

LGD is an estimate of the loss from a transaction given that a default occurs. Under Ind AS 109, lifetime LGD's are defined as a collection of LGD's estimates applicable to different future periods.

Various approaches are available to compute the LGD. Group has considered workout LGD approach. The following steps are performed to calculate the LGD:

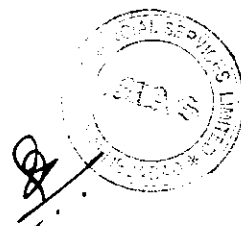
- 1) Analysis of historical credit impaired accounts at cohort level.
- 2) The computation consists of five components, which are:
 - a) Outstanding balance (POS)
 - b) Recovery amount (discounted yearly) by effective interest rate.
 - c) Expected recovery amount (for incomplete recoveries), discounted to reporting date using effective interest rate.
 - d) Collateral (security) amount

The formula for the computation is as below:

$$\% \text{ Recovery rate} = (\text{discounted recovery amount} + \text{security amount} + \text{discounted estimated recovery}) / (\text{total POS})$$

$$\% \text{ LGD} = 1 - \text{recovery rate}$$

For RAC loan portfolio, the LGD has been considered based on Basel-II Framework for all the level of credit rating portfolio.



MAAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2024

(₹ in Crores)

43 Financial risk management objectives and policies (Continued)

43.1 Credit risk (Continued)

Exposure at default:

As per Ind AS 109, EAD is estimation of the extent to which the financial entity may be exposed to counterparty in the event of default and at the time of counterparty's default. The Group has modelled EAD based on the contractual and behavioural cash flows till the lifetime of the loans considering the expected prepayments and assignments of loans.

The Group has considered expected cash flows for all the loans at DPD bucket level for each of the segments, which was used for computation of ECL. The exposure at default is calculated for each product and for various DPD status after considering future expected assignment which is not at risk. Moreover, the EAD comprised of principal component, accrued interest and also the future interest for the outstanding exposure. Further, the stage 3 EAD for the purpose of the ECL computation is considering when loan became Stage 3 for the first time (for retail loans)

Discounting:

As per Ind AS 109, ECL is computed by estimating the timing of the expected credit shortfalls associated with the defaults and discounting them using effective interest rate.

ECL computation:

Conditional ECL at DPD pool level was computed with the following method:

Conditional ECL for year (yt) = EAD (yt) * conditional PD (yt) * LGD (yt) * discount factor (yt)

Conditional RAC ECL for year (yt) = EAD (yt) * conditional PD (yt) * LGD (yt)

For RAC loan portfolio, the Group has calculated ECL based on borrower wise assessment of internal credit rating as per the framework of the Group, while for retail loan portfolio, the same has been calculated on collective basis.

The calculation is based on provision matrix which considers actual historical data adjusted appropriately for the future expectations and probabilities. Proportion of expected credit loss provided for across the stage is summarised below:

	As at 31 March 2024	As at 31 March 2023
Stage 1	0.40%	0.53%
Stage 2	21.22%	17.38%
Stage 3	38.72%	40.02%
Amount of expected credit loss provided for	135.30	108.29

The loss rates are based on actual credit loss experience over past 5 years. These loss rates are then adjusted appropriately to reflect differences between current and historical economic conditions and the Group's view of economic conditions over the expected lives of the loan receivables. Movement in provision of expected credit loss has been provided in below note.

(iv) Management overlay

The Group holds a management and macro-economic overlay of ₹ 21.79 crore as at 31 March 2024 (31 March 2023: ₹ 23.03 crores).

(v) Modification of financial assets

The Group has modified the terms of certain loans provided to customers in accordance with RBI notification on MSME restructuring dated 6 August 2020 and 5 May 2021. Such restructuring benefits are provided to distressed customers who are impacted by COVID-19 pandemic.

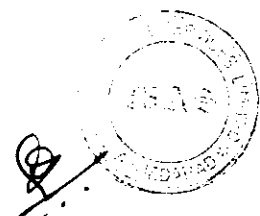
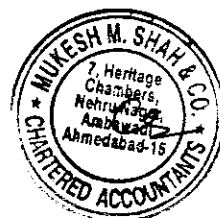
Such restructuring benefits include extended payment term arrangements, moratorium and changes in interest rates. The risk of default of such assets after modification is assessed at the reporting date and compared with the risk under the original terms at initial recognition, when the modification is not substantial and so does not result in derecognition of the original asset (refer note 3.5). The Group monitors the subsequent performance of modified assets. The gross carrying amount of such assets held as at 31 March 2024 is ₹ 1.41 crores (31 March 2023 ₹ 4.99 crores). Overall provision for expected credit loss against restructured loan exposure amounts to ₹ 0.26 crores as at 31 March 2024 (31 March 2023 ₹ 1.41 crores). The Group continues to monitor if there is a subsequent significant increase in credit risk in relation to such assets.

(b) Cash and cash equivalent and bank deposits

Credit risk on cash and cash equivalent and bank deposits is limited as the Group generally invests in term deposits with banks which are subject to an insignificant risk of change in value.

43.3 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting its obligations associated with its financial liabilities. The Group's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due



MAAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2024

(₹ in Crores)

43 Financial risk management objectives and policies (Continued)

43.2 Liquidity risk (Continued)

The Group is monitoring its liquidity risk by estimating the future inflows and outflows during the start of the year and planned accordingly the funding requirement. The Group manages its liquidity by unutilised cash credit facility, term loans and direct assignment.

The composition of the Group's liability mix ensures healthy asset liability maturity pattern and well diverse resource mix.

The total cash credit limit available to the Group is ₹ 1703 Crore spread across 14 banks. The utilization level is maintained in such a way that ensures sufficient liquidity on hand.

Over the years, the Holding Company has maintained around 20% to 25% of assets under management as off book through direct assignment transactions. It is with door to door maturity and without recourse to the Holding Company. This further strengthens the liability management.

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

	1 day to 30/31 days (one month)	Over one month to 2 months	Over 2 months up to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 year to 5 years	Over 5 years	Total
As at 31 March 2024									
Debt securities	2.47	2.40	11.16	34.63	173.58	470.96	53.75	-	748.95
Borrowings (Other than debt securities)	122.07	126.22	360.95	650.74	2,272.60	3,054.70	611.63	25.49	7,224.40
Subordinated liabilities	2.78	2.78	2.78	8.39	16.56	66.65	301.90	51.46	453.30
Payables	21.91	-	-	1.13	-	-	-	-	23.04
Lease Liability	0.08	0.08	0.08	0.24	0.49	1.83	1.10	0.08	3.98
Other financial liabilities	207.99	0.02	0.15	0.56	44.01	2.43	0.02	-	254.98
As at 31 March 2023									
Debt securities	0.26	6.52	0.21	24.59	600.24	106.39	-	-	738.21
Borrowings (Other than debt securities)	91.30	97.58	249.70	438.24	2,152.57	2,285.55	517.88	18.09	5,850.91
Subordinated liabilities	2.09	2.33	2.34	7.04	13.97	55.90	150.15	169.00	402.82
Payables	5.89	2.86	6.53	0.65	0.61	-	-	-	16.52
Lease Liability	0.05	0.13	0.05	0.11	0.19	0.69	0.29	-	1.47
Other financial liabilities	238.85	6.20	5.71	0.90	53.95	3.45	-	-	309.06

43.4 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk includes interest rate risk and foreign currency risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the

A. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's investment in bank deposits and variable interest rate borrowings and lending.

The sensitivity analysis have been carried out based on the exposure to interest rates for lending and borrowings carried at variable rate and investments made by the Group.

Change in interest rates	Year ended 31 March 2024		Year ended 31 March 2023	
	50 bp increase	50 bp decrease	50 bp increase	50 bp decrease
Investments	50.95	50.95	176.78	176.78
Impact on profit before tax for the year	0.25	(0.25)	0.88	(0.88)
Variable rate lending	3,751.21	3,751.21	3,265.86	3,265.86
Impact on profit before tax for the year	18.11	(18.11)	15.84	(15.84)
Variable rate borrowings	6,013.08	6,013.08	5,737.31	5,737.31
Impact on profit before tax for the year	(29.72)	29.72	(28.40)	28.40

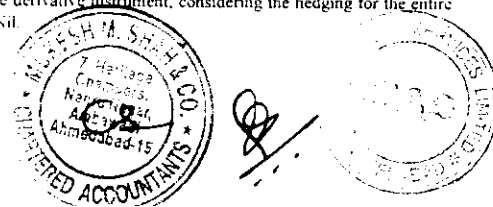
B. Foreign currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk for the Group arises majorly on account of foreign currency borrowings. The Group's foreign currency exposures are managed in accordance with its Foreign Exchange Risk Management Policy which has been approved by its Board of Directors. The Group has hedged its foreign currency risk on its foreign currency borrowings as on March 31, 2024 by entering into forward contracts with the intention of covering the entire term of foreign currency exposure. The counterparties for such hedge transactions are banks.

The Group's exposure on account of Foreign Currency Borrowings at the end of the reporting period expressed in Indian Rupees are as follows:

	Foreign currency	As at 31 March 2024	As at 31 March 2023
Term loan from Bank in Foreign Currency	USD	602.18	-

Since the foreign currency exposure is completely hedged by equivalent derivative instrument, there will not be any significant impact on sensitivity analysis due to the possible change in the exchange rates where all other variables are held constant. On the date of maturity of the derivative instrument, considering the hedging for the entire term of the foreign currency exposure, the sensitivity of profit and loss to changes in the exchange rates will be Nil.



MAAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2024

(₹ in Crores)

44 Lease disclosure

Where the Group is the lessee

The Group has entered into agreements for taking its office premises under lease and license arrangements. These agreements are for tenures between 11 months and 10 years and majority of the agreements are renewable by mutual consent on mutually agreeable terms. Lease rentals have an escalation ranging between 5% to 15%. Leases for which the lease term is less than 12 months have been accounted as short term leases.

Contractual cash maturities of lease liabilities on an undiscounted basis	As at	As at
	31 March 2024	31 March 2023
Not later than one year	0.97	0.49
Later than one year and not later than five years	2.93	0.98
Later than five years	0.08	-
Total undiscounted lease liabilities	3.98	1.47
Lease liabilities included in the balance sheet		
Total lease liabilities	3.38	1.28

Amount recognised in the statement of profit and loss account	Year ended	Year ended
	31 March 2024	31 March 2023
Interest on lease liabilities	0.22	0.10
Depreciation charge for the year	0.67	0.32
Expenses relating to short term leases	4.70	3.85

Amount recognised in statement of cashflow	Year ended	Year ended
	31 March 2024	31 March 2023
Cash outflow towards lease liability	(0.54)	(0.28)

For addition and carrying amount of right to use asset for 31 March 2024 and 31 March 2023, refer note 11(c)

Title deeds of all immovable properties of the Holding Company are held in name of the Holding Company. Further all the lease agreements are duly executed in favour of the Group for properties where the Group is the lessee.

45 Transfer of financial assets

45.1 Transferred financial assets that are not derecognised in their entirety

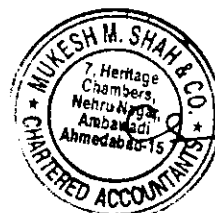
The following table provides a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

Securitisation	As at	As at
	31 March 2024	31 March 2023
Carrying amount of transferred assets	-	-
Carrying amount of associated liabilities (Borrowings - other than debt securities)	-	-
Fair value of assets (A)	-	-
Fair value of associated liabilities (B)	-	-
Net position at Fair Value (A-B)	-	-

45.2 Transferred financial assets that are derecognised in their entirety

The Group has assigned loans by way of direct assignment. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the extent of exposure net of MRR 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:

Direct assignment	As at	As at
	31 March 2024	31 March 2023
Carrying amount of de-recognised financial asset	2,063.89	1,259.86
Carrying amount of retained financial asset	224.17	167.26



MAAS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 MARCH 2024

(₹ in Crores)

45.3 Transferred financial assets that are derecognised in their entirety but where the Group has continuing involvement

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

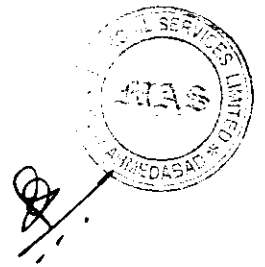
- 46 No proceedings have been initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder, as at 31 March 2024 and 31 March 2023.
- 47 The Group is not a declared wilful defaulter by any bank or financial Institution or other lender, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India, during the year ended 31 March 2024 and 31 March 2023.
- 48 The Group does not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended 31 March 2024 and 31 March 2023.
- 49 All the charges or satisfaction, as applicable are registered with ROC within the statutory period.
- 50 The Group has taken borrowings from banks and financial institutions and utilised them for the specific purpose for which they were taken as at the Balance sheet date. Unutilised funds as at 31 March 2024 and 31 March 2023 are held by the Group in the form of deposits or in current accounts till the time the utilisation is made subsequently.
- 51 There have been no transactions which have not been recorded in the books of accounts, that have been surrendered or disclosed as income during the year ended 31 March 2024 and 31 March 2023, in the tax assessments under the Income Tax Act, 1961. There have been no previously unrecorded income and related assets which were to be properly recorded in the books of account during the year ended 31 March 2024 and 31 March 2023.
- 52 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. These transactions are conducted after exercising proper due diligence.

Other than the transactions described above,

(a) No funds have been advanced or loaned or invested by the Group to or in any other person(s) or entity(ies) including foreign entities ("Intermediaries") with the understanding that the Intermediary shall lend or invest in a party identified by or on behalf of the group (Ultimate Beneficiaries);

(b) No funds have been received by the Group from any party(s) (Funding Party) with the understanding that the Group shall whether, directly or indirectly, lend or invest in other persons or entities identified by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- 53 The Group has not traded or invested in Crypto currency or Virtual Currency during the year ended 31 March 2024 and 31 March 2023.
- 54 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, 2017 for the financial years ended 31 March 2024 and 31 March 2023.
- 55 The Holding Company and a Subsidiary have used accounting software for maintaining its books of account for the financial year ended 31 March 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all the relevant transactions recorded in the software except that, audit trail feature was not enabled at database level for accounting software to log any direct data changes. Further, there has been no instance of the audit trail feature being tempered with in respect of such accounting software where such feature is enabled.



MASS FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2024

(₹ in Crores)

56 The Group has not entered into any scheme of arrangement.

57 Events after the reporting period

Ind AS 10 'Events after the Reporting Period', requires an entity to evaluate information available after the balance sheet date to determine if such information constitutes an adjusting event, which would require an adjustment to the financial statements, or a non-adjusting event, which would only require disclosure. There have been no events after the reporting date that require disclosure in these financial statements.

58 Figures of previous year has been regrouped / reclassified, wherever necessary, to correspond with the figures of the current year.

In terms of our report of even date attached

For Mukesh M Shah & Co.
Chartered Accountants
Firm's Registration No: 106625W



C S Shah
Chandresh S. Shah
Partner
Membership No: 042132

Ahmedabad
24 April 2024

For and on behalf of the Board of Directors of
MASS Financial Services Limited

Darshana S. Pandya
(Director & Chief Executive Officer)
(DIN - 07610402)

Kamlesh C. Gandhi
(Chairman & Managing Director)
(DIN - 00044852)

Riddhi B. Bhayani
(Company Secretary & Compliance Officer)
(Membership No: A41206)

Ankit Jain
(Chief Financial Officer)

Ahmedabad
24 April 2024