

NOTICE

NOTICE IS HEREBY GIVEN THAT THE TWENTY EIGHTH ANNUAL GENERAL MEETING OF THE MEMBERS OF XANDER FINANCE PRIVATE LIMITED WILL BE HELD ON MONDAY, SEPTEMBER 23, 2024 AT 11:00 A.M. (IST) THROUGH VIDEO CONFERENCING/AUDIO-VISUAL ELECTRONIC COMMUNICATION MEANS (“VC/AVEC”), TO TRANSACT THE FOLLOWING BUSINESSES:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - a) the audited standalone financial statements of the Company for the financial year ended March 31, 2024 together with the Reports of the Board of Directors and the Auditors thereon; and
 - b) the audited consolidated financial statements of the Company for the financial year ended March 31, 2024 together with the Report of the Auditors thereon.
2. To approve the appointment of M/s. C J S Nanda & Associates, Chartered Accountants, (ICAI Firm Registration No: 010912N) as the statutory auditors of the Company and to fix their remuneration:

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

“RESOLVED THAT pursuant to section 139, 141 and other applicable provisions of the Companies Act, 2013 and the rules thereunder (including any statutory modifications and re-enactment, if any thereof for the time being in force) read with the Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) dated April 27, 2021 issued by the Reserve Bank of India and pursuant to the recommendation of the Audit Committee and the Board of Directors, M/s. C J S Nanda & Associates, Chartered Accountants (ICAI Firm Registration No: 010912N), be and are hereby appointed as the Statutory Auditors of the Company for a period of three years and they shall hold office commencing from the conclusion of the Twenty Eighth Annual General Meeting till the conclusion of the Thirty First Annual General Meeting to be held for the financial year 2026-27 on such remuneration as may be decided by the Board of Directors in consultation with the proposed Statutory Auditors of the Company and reimbursement of actual out of pocket expenses, to audit the accounts of the Company.

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

SPECIAL BUSINESS:

3. APPROVAL FOR CHANGE OF NAME OF THE COMPANY AND APPROVAL FOR CONSEQUENT AMENDMENT IN MEMORANDUM OF ASSOCIATION AND ARTICLES OF ASSOCIATION OF THE COMPANY

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

“RESOLVED THAT pursuant to the provisions of Section 4, 5, 13 and other applicable provisions of the Companies Act, 2013, if any, read with the Rules framed thereunder (including any statutory modifications of re-enactments thereof, for the time being in force), read with the Articles of Association and Memorandum of Association of the Company, subject to the approval of the Central Registration Centre (CRC), Registrar of Companies (ROC), Ministry of Corporate Affairs (MCA), Reserve Bank of India, the consent of the Members of the Company, be and is hereby accorded to change the name of the Company from “XANDER FINANCE PRIVATE LIMITED” to “NIXA FINCORP PRIVATE LIMITED” or “NIXA FINANCE PRIVATE LIMITED any other name as may be approved by the Central Registration Centre (CRC), Ministry of Corporate Affairs, Reserve Bank of India or any other appropriate authority and accordingly “XANDER FINANCE PRIVATE LIMITED” wherever it occurs in the Memorandum of Association and Articles of Association of the Company shall be substituted by the name “ NIXA FINCORP PRIVATE LIMITED” or “NIXA FINANCE PRIVATE LIMITED” or any other name as may be approved by the Central Registration Centre (CRC), Ministry of Corporate Affairs, Reserve Bank of India or any other appropriate authority

RESOLVED FURTHER THAT the existing Clause 1 of the Memorandum of Association of the Company be altered by deleting the existing name of the Company wherever appearing and substituting it with the new name of the Company.

RESOLVED FURTHER THAT in terms of Section 14 of the Companies Act, 2013 the Articles of Association of the Company be altered by deleting the existing name of the Company wherever appearing and substituting it with the new name of the Company.

RESOLVED FURTHER THAT any Director or Company Secretary or Ms. Reshma Janwalkar or Mr. Dipak Agarwal, Authorised Representative of the Company be and are hereby severally authorised to apply to the CRC, Ministry of Corporate Affairs, Reserve Bank of India or any other concerned authorities for ascertaining the availability of the proposed name mentioned aforesaid and to prepare file and submit the necessary e forms, applications to CRC, Ministry of Corporate Affairs, Reserve Bank of India, documents, declaration, undertaking, fees and other documents for change of name, suggest any alternative names if the above said name is not made available by CRC and RBI and also authorised to obtain necessary approvals, permissions from the concerned authorities, in this regard.

RESOLVED FURTHER THAT any Director or Company Secretary of the Company be and is hereby authorized severally to issue and deliver certified true copies of this resolution, if required.”

By order of the Board of Directors
Xander Finance Private Limited



Mansi Gandhi
Company Secretary
ICSI Membership No:ACS-58471

Date: September 18, 2024
Place: Mumbai

Notes:

1. Due to outbreak of COVID-19 pandemic, the Ministry Of Corporate Affairs (“MCA”) has vide its General Circular No. 14/2020 dated April 08, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 19/2021 dated December 08, 2021, General Circular No. 21/2021 dated December 14, 2021, General Circular No. 02/2022 dated May 05, 2022, General Circular No.10/2022 dated December 28, 2022 and General Circular No.09/2023 dated September 25, 2023 and other applicable circulars, has permitted to hold the Annual General Meeting (“AGM / Meeting”) of Members of the Company through Video Conferencing (“VC”) / Audio-Visual Electronic Communication means (“AVEC”) without the presence of the Members at a common venue. In due compliance with the above MCA Circulars, the AGM of the Company is being convened through VC/AVEC.

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

a) Participation:

- i. Pursuant to the aforementioned general circulars, the physical presence of the Members has been dispensed with and therefore the appointment of Proxy(ies) is/are not permitted. However, in pursuance of Section 112 and 113 of the Companies Act, 2013 (“the Act”), Members may appoint representatives for the purpose of participation and voting in the meeting. The Corporate Members proposing to participate at the meeting through their representative(s), will be required to forward the necessary authorization under Section 113 of the Act and such representation to the Company should be communicated by sending an e-mail to Ms. Mansi Gandhi Company Secretary at mansigandhi@xanderfinance.com before the commencement of the Meeting.
- ii. Members participating through the VC/AVEC facility shall be reckoned for the purpose of quorum under Section 103 of the Companies Act, 2013.
- iii. The Meeting of the Members will be held through VC/AVEC as per MCA circulars. The Members are requested to use the Dial-in details as mentioned below to join the Meeting:

Weblink	https://us02web.zoom.us/j/86110260038?pwd=jSnoNtLUHKsC1bcVRb7iGC1zAa6Y7h.1
Meeting ID	861 1026 0038
Password	397537

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

4. On the date of the Meeting, the Members, Directors, Key Managerial Personnel and all other persons authorized to attend the meeting, may join, using above the Dial-in details from 10:45 a.m. (IST) to 11:00 a.m. (IST) post which, no person shall be able to join the meeting.

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

6. Voting:

- a. In case a poll is demanded, Chairman shall follow the procedure provided in Section 109 of the Act, and Rules made thereunder, in all other cases matter will be put to vote by way of a show of hands.
- b. On demand of the poll, the Members may vote by sending an e-mail on the designated E-mail ID: mansi_gandhi@xanderfinance.com stating their assent/ dissent.

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

7. Other instructions/ information:

- a. Members are requested to address all communications through their registered E-mail ID only.
- b. The recorded transcript shall be maintained in safe custody of the Company.
- c. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Act read with Rules made thereunder, authorizations for voting by body corporates and the Articles of Association of the Company will be available for inspection by the Members through electronic mode. Also, the documents referred to in this Notice are available electronically for inspection without any fee by the Members from the date of circulation of this Notice up to the date of the Annual General Meeting. Members seeking to inspect such registers/ documents can send an email to mansi_gandhi@xanderfinance.com.
- d. The Audited Financial Statements (standalone & consolidated) of the Company for the Financial Year ended on March 31, 2024, the Reports of the Board of Directors and Auditors thereon shall be sent to the Members and to all other persons so entitled on their email IDs registered with the Company/ Registrar and Transfer Agents or with the Depository Participant(s).
- e. Members who hold shares in physical form and have not registered / updated their Email addresses with the Company, are requested to register / update the same by writing to the Company at mansi_gandhi@xanderfinance.com stating details of folio number and attaching a self attested copy of PAN card.
- f. Members holding shares in dematerialised mode, who have not registered / updated their email addresses with their Depository Participants, are requested to register / update their email addresses with the Depository Participants with whom they maintain their demat accounts.
- g. Members who need assistance before or during the AGM, can contact Ms. Mansi Gandhi, Company Secretary at 022-61196010 or email her at mansi_gandhi@xanderfinance.com.

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013 WHICH FORMS A PART OF THE NOTICE OF THE ANNUAL GENERAL MEETING OF THE COMPANY TO BE HELD ON MONDAY, SEPTEMBER 23, 2024 AT 11:00 A.M. (IST)

Item No. 3

The Members are informed that the Company had made Reservation of Unique Name (RUN) services application for new name to Central Registration Centre (CRC), Registrar of Companies (ROC), Ministry of Corporate Affairs (MCA) for change of name of the Company Xander Finance Private Limited to Nixa Fincorp Private Limited or Nixa Finance Private Limited or any other name as made available by the CRC, Ministry of Corporate Affairs and Reserve Bank of India.

It is recommended to the members of the Company to seek their approval for the said change of name of the Company.

As per Section 13 of the Companies Act 2013 and other applicable rules, approval of the shareholders is required to be accorded for alterations to the existing clauses of the Memorandum of Association by way of special resolution.

The Board recommends the passing of the resolution as set out in Item No.3 of the notice convening the meeting, as a special resolution.

None of the Directors or Key Managerial Personnel of the Company is in any way concerned or interested in the resolution.

Members can inspect the necessary documents on all working days, between 11:00 am and 5:00 pm up to the date of the meeting and copies thereof will be available for inspection at the meeting.

**By order of the Board of Directors
Xander Finance Private Limited**



Mansi Gandhi
Company Secretary
ICSI Membership No: ACS-58471

Date: September 19, 2024
Place: Mumbai

**TWENTY-EIGHTH ANNUAL REPORT
FINANCIAL YEAR: 2023-24****XANDER FINANCE PRIVATE LIMITED ('THE COMPANY')
(CIN: U65921MH1997PTC258670)****BOARD OF DIRECTORS**

Mr. Rohan Sikri
Mr. Rajesh Kumar Jogi
Mr. Tariq Chinoy
Mr. Varun Gopinath (up to 19th July, 2023)

DESIGNATED DIRECTOR

Mr. Rajesh Jogi

STATUTORY AUDITOR

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

**COMPANY SECRETARY &
COMPLIANCE OFFICER**

Ms. Mansi Gandhi

PRINCIPAL OFFICER

Mr. Tariq Chinoy

INTERNAL AUDITORS

M/s. Aneja Associates, Chartered Accountants

**REGISTERED AND CORPORATE
OFFICE**

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

REGISTRAR & TRANSFER AGENT

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

DIRECTORS' REPORT

**TO,
THE MEMBERS**

Your Directors take pleasure in presenting the Twenty-Eighth Annual Report on the affairs of your Company together with the annual audited financial statements for the year ended March 31, 2024.

1. FINANCIAL HIGHLIGHTS:

The highlights of the standalone financial statements of the Company for the Financial Years 2022-23 and 2023-24 are as under:

Particulars	For the year ended March 31, 2024 (₹ In Crores)	For the year ended March 31, 2023 (₹ In Crores)
Total Income	14.65	48.27
Total Expenditure	50.11	40.49
Profit before tax	(35.46)	7.78
Less: Provision for taxation		
- Current Tax	-	4.40
- Deferred Tax	(73.74)	(3.12)
- Earlier years adjustments	1.43	-
Net Profit after tax	(29.51)	6.50
Earnings per share (Face Value ₹ 10/-)		
- Basic (In ₹)	(2.56)	0.44
- Diluted (In ₹)	(2.56)	0.44

The highlights of the consolidated financial statements of the Company for the Financial Years 2022-23 and 2023-24 are as under:

Particulars	For the year ended March 31, 2024 (₹ In Crores)	For the year ended March 31, 2023 (₹ In Crores)
Total Income	15.43	47.05
Total Expenditure	50.15	40.54
Profit before tax	(34.72)	6.51
Less: Provision for taxation		
- Current Tax	0.19	4.49

- Deferred Tax	(7.37)	(3.12)
- Earlier years adjustments	1.44	-
Net Profit after tax	(28.98)	5.13
Earnings per share (Face Value ₹ 10/-)		
- Basic (In ₹)	(2.51)	0.35
- Diluted (In ₹)	(2.51)	0.35

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

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

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

The revenue of your Company decreased from ₹48.27 crores in financial year 2022-23 to ₹14.66 crores in the financial year 2023-24, a decline of 69.64% over the previous financial year. The Net Profit after Tax for the Financial Year 2022-2023 was ₹6.50 crores and Net Loss after tax for the Financial Year 2023-2024 is ₹ 29.51 crores. Due to the prepayments from select borrowers, Asset Under Management of the Company reduced from ₹83.76 crores to ₹32.43 crores as compared to the previous financial year.

Continuing to maintain a prudent provisioning policy for loan assets, the Company is carrying Expected Credit Loss ('ECL') provision of ₹ 14.05 crores as on March 31, 2024 which is in excess of the minimum regulatory requirement for standard asset provisioning of 0.40% as stipulated by the Reserve Bank of India ('RBI') pursuant to applicable regulations in this regard for the financial year 2023-24. Your Company has maintained sufficient liquidity in form of fixed deposits with Banks; well managed its Asset Liability Management ('ALM') profile and maintained its conservative underwriting practices.

Your Company has continued to maintain its prudent practices towards real estate and corporate lending. It has adopted stringent asset recovery measures. The gross NPA was 100% and net NPA was 100% as on March 31, 2024. The gross NPA was 41.85% and net NPA was 35.68% as on March 31, 2023.

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

3. TRANSFER TO RESERVES:

During the year under review, no amount was transferred to Statutory Reserve as required under section 45-1C of the Reserve Bank of India Act, 1934 since there was loss during the year.

4. CAPITAL ADEQUACY:

Your Company has maintained a healthy capital adequacy ratio at well above the levels directed by RBI. As on March 31, 2024, the overall capital adequacy ratio of your Company was 171.16% (147.70% as on March 31, 2023). Your Company aims to maintain adequate capital cushion over and above the regulatory requirements.

5. DIVIDEND:

In view of the losses incurred by the Company, the Board of Directors does not recommend any dividend for the financial year under review.

6. NON – DEPOSIT ACCEPTING NBFC:

Your Company being a base layer NBFC having customer interface and not availing public funds has not accepted any deposits from public and shall not accept any deposits from the public without obtaining prior approval from the RBI. Accordingly, the disclosure requirements under Rule 8(5)(v) and (vi) of the Companies (Accounts) Rules, 2014 are not applicable to the Company.

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

As on March 31, 2024, the Company has complied with all regulations and guidelines of the RBI, as are applicable to it as a Base Layer Non-Deposit Accepting Non-Banking Financial Company.

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

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

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

9. ASSET - LIABILITY MANAGEMENT AND FINANCIAL LEVERAGE:

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

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

Your Company recognises the risk of funding long term projects with short term tenor funds and thus has not borrowed any short-term funds. Your Company has a well-managed ALM profile and has averted the possibility of a liquidity squeeze in its business operations. The Company has no borrowings and debt outstanding as on March 31, 2024.

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

10. DEBT SOURCING

In continuation with its business strategy, your Company has deleveraged its liabilities and has not raised any fresh debt capital during the financial year 2023-24. The primary focus of the Company was monetisation of the underlying portfolio and ensuring maximum collections from the borrowers. The Company does not hold any debt as on March 31, 2024.

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

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

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

12. CONSOLIDATED FINANCIAL STATEMENTS:

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

The consolidated financial statements of the Company shall be placed before the ensuing 28th Annual General Meeting of the Company along with the standalone financial statements of the Company.

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

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

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

No business operations have been commenced by BVPL during the year under review. During the year under review, your Company has not invested any amount in the equity share capital of BVPL. No loan has been granted by your Company to BVPL during the year under review.

14. STATE OF AFFAIRS OF THE COMPANY:

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

15. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

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

16. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):

A. Appointment and cessation of Director(s):

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

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

- a. Ms. Purnima Paliwal, designated Company Secretary of Company, resigned with effect from April 05, 2023.
- b. Ms. Mansi Gandhi designated Company Secretary of Company was appointed with effect from April 28, 2023.
- c. Mr. Varun Gopinath, Director of the Company resigned with effect from July 19, 2023

After the Financial Year under review, following changes took place in the composition of the Board of Directors and Key Managerial Personnel of the Company:

- a. Mr. Dipak Agarwal, designated Chief Executive Officer of Company was appointed with effect from August 01, 2024

B. Director(s) Disclosures:

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

17. EMPLOYEE STOCK OPTION SCHEME:

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

The said Scheme of the Company is implemented and administered by the Nomination and Remuneration Committee. Pursuant to the recommendation of Nomination and Remuneration Committee, Buyback was considered as One Time Liquidity event for the existing ESOP Scheme 2016 of the Company. A proportionate of (24.12%) exercise and redemption of ESOP units was made at Rs.21 per Equity Share and the ESOP holders were paid eligible dividend on the total Equity Shares held by them from the date of valuation of the grant of ESOP units.

Disclosure with respect to the said Scheme in terms of Section 62 of the Act read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014, have been provided at 'Annexure III' to this Directors' report for financial year ended on March 31, 2024.

18. DETAILS OF BOARD AND COMMITTEE MEETINGS:

The dates of Board and Committee Meetings held during the financial year indicating the number of Board and Committee Meetings attended by each director is mentioned in

'Annexure IV' of this Directors' report. Details of sub-committees of the Board during the financial year 2023-24 are as below:

a. Audit Committee:

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

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

b. Nomination and Remuneration Committee:

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

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

c. Corporate Social Responsibility Committee:

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

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

d. Asset-Liability Management Committee:

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

Following is the present constitution of the ALCO:

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

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

Pursuant to Master Direction on Information Technology Framework for the NBFC sector issued by RBI on June 8, 2017, your Company has constituted an IT Strategy committee at the meeting of the Board of Directors held on June 19, 2018. The IT Strategy Committee is responsible for monitoring and implementation of IT security and controls as provided in the above-mentioned RBI framework. The IT Strategy committee of the Company was reconstituted by the Board of Directors of the Company at their meeting held on September 20, 2023. Following is the constitution of the IT Strategy committee:

Name of the Member	Designation
Tariq Chinoy	Chairman
Priyanka Khanna	Member
Mansi Gandhi	Member
Sachin Sawant	Member
Rattish Sekhar	Member

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

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

20. COMPANY POLICIES:
a) Whistle Blower policy / Vigil Mechanism:

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

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

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

b) Nomination and Remuneration policy:

2503 | 25TH FLOOR | ONE LODHA PLACE | SENAPATI BAPAT MARG | LOWER PAREL | MUMBAI 400 013.
 CIN: U65921MH1997PTC258670 | +91 22 6119 6000 T | +91 22 6119 6080 F | info@xanderfinance.com
 WEBSITE: www.xanderfinance.com

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

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

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

c) Prevention of Sexual Harassment at workplace policy:

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

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

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

d) Risk Management policy:

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

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

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

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

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

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

f) Fair Practice Code:

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

g) Policy on Related Party Transaction:

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

21. CORPORATE SOCIAL RESPONSIBILITY ('CSR'):

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

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

During the year under review, your Company has contributed ₹ 0.46 crores towards CSR activities as stipulated under Schedule VII of the Companies Act, 2013. The details about the CSR activities/initiatives taken by the Company during the financial year 2023-24 have been appended as 'Annexure V' to this Report.

22. RELATED PARTY TRANSACTIONS:

XANDER FINANCE PRIVATE LIMITED

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

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

23. AUDITORS:

In terms of Section 139, 141 and other applicable provisions of the Companies Act, 2013, M/s. Ravi Rajan & Co. LLP, Chartered Accountants (FRN No. 009073N/N500320) were appointed as Statutory Auditors of the Company to hold office from the conclusion of the ensuing 26th Annual General Meeting until the conclusion of the 28th Annual General Meeting to be held for the financial year 2023-24.

You directors have recommended to appoint M/s C J S & Associates, Chartered Accountants as the Statutory Auditors of the Company for a period of three years commencing from conclusion of twenty eighth Annual General meeting till the conclusion of thirty First Annual General meeting.

M/s. C J S & Associates, Chartered Accountants, (FRN:010912N) have confirmed their eligibility to the effect that their appointment, if made, would be within the prescribed limits under the Companies Act, 2013 and that they are not disqualified to be appointed and have expressed their willingness to act as Statutory Auditors of the Company. The Company has also received a certificate from them under Section 139(2) of the Companies Act, 2013.

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

Your Directors state that there are no adverse qualifications, reservations or adverse remarks or disclaimer made by the Statutory Auditors on the financial statements for financial year 2023-24. During the year under review, the Statutory Auditors have not reported any incident of fraud to the Board.

25. INTERNAL AUDITORS AND THEIR REPORT:

In terms of Section 138 of the Companies Act, 2013 and other applicable laws, M/s. Aneja Associates, Chartered Accountants were reappointed as Internal Auditors of the Company for the financial Year 2023 -24.

26. MAINTENANCE OF COST RECORDS:

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

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

The information under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2023 is as mentioned below:

A. Conservation of Energy:

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

B. Technology Absorption:

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

C. Foreign Exchange Earnings and outgo:

During the year under review, your Company did not have any foreign exchange earnings (Previous year: Nil) and incurred foreign currency expenditure of ₹ 0.072crore (Previous year: ₹0.17 crore).

28. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS:

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

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

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

30. DIRECTORS' RESPONSIBILITY STATEMENT:

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

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

- ii. that the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period.
- iii. that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. that the directors have prepared the annual accounts on a going concern basis.
- v. the directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- vi. that the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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

To the best of our knowledge and belief and according to the information and explanations obtained by us, and relying on the Reports of Internal Auditors and Statutory Auditors of the Company for the financial year 2023-24, your Directors are of the view that the internal financial controls with reference to the Financial Statements of the Company were adequate and operating efficiently and further confirm that:

- i. the Company has comprehensive internal control systems that are commensurate with the size and nature of its business;
- ii. the Company has laid down standards, processes and structures which enable implementation of internal financial controls across the organisation and ensure that the same are adequate and operating effectively;
- iii. the systems are designed in a manner to provide reasonable assurance about the integrity and reliability of the financial statements;
- iv. the Company adopts prudent lending policies and exercises due diligence to safeguard its loan asset portfolio; and
- v. the loan approval process involves origination and sourcing of business, credit appraisal and credit approval in accordance with approved Policy.

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

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

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

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

34. ANNUAL RETURN:

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, the Annual Return as on March 31, 2024 will be available on the website of the Company at <https://www.xanderfinance.com>.

35. ACKNOWLEDGEMENTS:

Your Directors take this opportunity to express their appreciation to all stakeholders of the Company including the Reserve Bank of India, the Ministry of Corporate Affairs and other Regulatory Authorities, Members, Customers and Employees of the Company for their continued support and trust. The Directors are grateful for the support extended by them and look forward to receiving their continued support and encouragement. The Directors also wish to thank the bankers and other financial institutions of the Company for their continued support.

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


Rajesh Jogi
Director
DIN: 03341036


Tariq Chinoy
Director
DIN: 08830666

Date: September 11, 2024
Place: Mumbai

ANNEXURE I TO DIRECTORS' REPORT

FORM AOC-1

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

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

Part "A": Subsidiaries

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

Sl. No.	Particulars	Details
1.	Name of the subsidiary	Balestier Ventures Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same reporting period ending as at March 31, 2024
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year In the case of foreign subsidiaries	Not applicable
4.	Share capital (authorised and paid up)	₹ 12,00,00,000/-
5.	Reserves & surplus	₹ 78,24,369/-
6.	Total assets	₹ 12,82,61,598/-
7.	Total Liabilities	₹ 12,82,61,598/-
8.	Investments	Nil
9.	Turnover	Nil
10.	Profit before taxation	₹ 73,89,589/-
11.	Provision for taxation	₹ 20,80,688 /-
12.	Profit after taxation	₹ 53,08,901/-
13.	Proposed Dividend	Nil
14.	% of shareholding	100%

Notes:

- Names of subsidiaries which are yet to commence operations – Balestier Ventures Private Limited
- Names of subsidiaries which have been liquidated or sold during the year- Nil

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


Rajesh Jogi
Director
DIN: 03341036


Tariq Chinoy
Director
DIN: 08830666

Date: September 11, 2024

Place: Mumbai

ANNEXURE II TO DIRECTORS' REPORT MANAGEMENT DISCUSSION AND ANALYSIS

INDIAN ECONOMY

Despite three turbulent years which witnessed a global pandemic, supply chain disruptions, conflict in Ukraine, and elevated interest rates to counter high inflation, India emerged as the fastest growing major economy of the world. Notwithstanding conflicts in Europe and Gaza and rising tensions in West Asia, a global recession that experts thought was imminent has not occurred. Indeed, the key indicators have turned positive: inflation is falling across all major countries; unemployment has not risen as economists thought it would; and the major central banks have put an end to monetary tightening, though they have not yet begun reducing their key interest rates.

According to the IMF's World Economic Outlook (April 2024), inflation is falling faster than expected in most regions; and it has forecasted global headline inflation to fall to 5.9% in 2024 and further to 4.5% in 2025, with the possibility of the 2025 forecast being further revised downwards.

In a milieu where the IMF has projected the world's real GDP growth at 3.2% in 2024 and 3.2% in 2025, its forecasts for India are impressive: 6.8% in 2024 followed by yet another stint of 6.5% in 2025. Indeed, the IMF has placed India as the fastest growing major economy in the world.

With a fair degree of control over retail inflation despite high and growing domestic demand and significant government led capital expenditure, India has recorded robust growth in FY2024. The second advance estimate of national income released by the national statistics office (NSO) on 29 February 2024 has pegged real GDP growth in FY2024 to be 7.6% versus 7% (first revised estimate) in FY2023.

The Indian economy has weathered the external shocks reasonably well. It is by far the fastest growing major economy in the world. The growth impetus continues across all major sectors. Inflationary pressures have abated. The Current Account Deficit (CAD) is well under control and, at the very least, we can expect yet another stellar year in FY2025.

INDUSTRY OVERVIEW

Non-Banking Finance ('NBFC') sector

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

The sector has undergone remarkable growth and has established itself as a significant player in the country's financial landscape. As of FY 2024, the NBFC sector reached an impressive size of US\$ 326 billion, underscoring its influence in the financial domain. Growth in the business of NBFCs is primarily attributed to a substantial increase in the demand for specialised financial services.

The NBFC sector is an important stakeholder of the Indian financial sector. Strengthened regulation and enhanced oversight are in place to further strengthen the resilience of this key sector. NBFCs with superior capital adequacy, better margins, frugal cost and prudent risk management, and those incorporating above four key cornerstones in their business models will continue to deliver sustainable growth in the foreseeable future

COMPANY INFORMATION

Established in 2010 by The Xander Group under license from the Reserve Bank of India (RBI), Xander Finance Private Limited ('XFPL' or 'Company') is registered with the Reserve Bank of India ('RBI') as a Non-Deposit Accepting Non-Banking Financial Company vide NBFC registration no. B-13.02083. Further, as per the Master Direction-Reserve Bank of India (Non-Banking Financial Company-Scale Based Regulation), Directions, 2023 dated October 19, 2023, XFPL is being classified as Base layer NBFC having customer interface and not availing public funds. Innovative in approach and nimble in execution, XFPL is an industry leader in providing end to end credit solutions including advisory services, deal structuring, financing, and workouts to investors, developers, asset owners, private equity owners and large corporations across a range of industries including real estate, logistics, education, infrastructure, retail & entertainment. XFPL is headquartered in Mumbai with offices in Gurgaon, and Chennai.

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

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

Range of products include:

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

BUSINESS OUTLOOK

During the Financial Year 2023-24; your Company intends to enhance its business performance through the following initiatives:

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

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

b) Focus on monetizing and then gradually increasing the Asset Under Management ('AUM') of the Company:

The AUM as it stands today is a result of a calibrated, account-wise strategy adopted by the Company over the period to achieve the agreed objective and has thus resulted in large realizations, utilized to pay down borrowings. It is anticipated that the Company shall continue to execute this strategy. The Company intends to gradually start increasing its AUM with fresh disbursements targeting deals with solid security structures and opportunities in debt-syndication, advisory and asset management.

c) Continue to focus on asset liability management:

Your Company follows prudent practices of asset liability management ('ALM'). The Company has repaid all the borrowings during the year and does not have any outstanding debt. Your Company has a well-matched ALM profile and has never borrowed any short-term funds for deploying into long term assets. Your Company shall continue to maintain its prudent ALM profile.

d) To achieve better return on equity:

Your Company shall take measures to reduce unessential operating expenses which in turn shall help the Company to control its overall costs. Your Company shall endeavour to increase its profits by generating revenue by undertaking advisory services, deal structuring including syndication, financing etc.

Opportunities & Threats

Our key challenge is that our competitors i.e. standalone NBFCs and / or private credit funds have significantly more regulatory flexibility on what they can do. Despite your company's impeccable credit track record, regulatory restrictions on us to undertake certain type of financing e.g. loans against shares or financing limits our ability to play in that segment. With your company largely competing in the space where banks are also present, our margins may come under pressure. Capital market (largely investment in IPOs) segment continues to be volatile and it always difficult to predict revenue from there; though the early signs seems positive for FY25. We continue to explore new avenues to achieve our growth targets, while trading carefully at the same time.

Risk Management

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

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

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

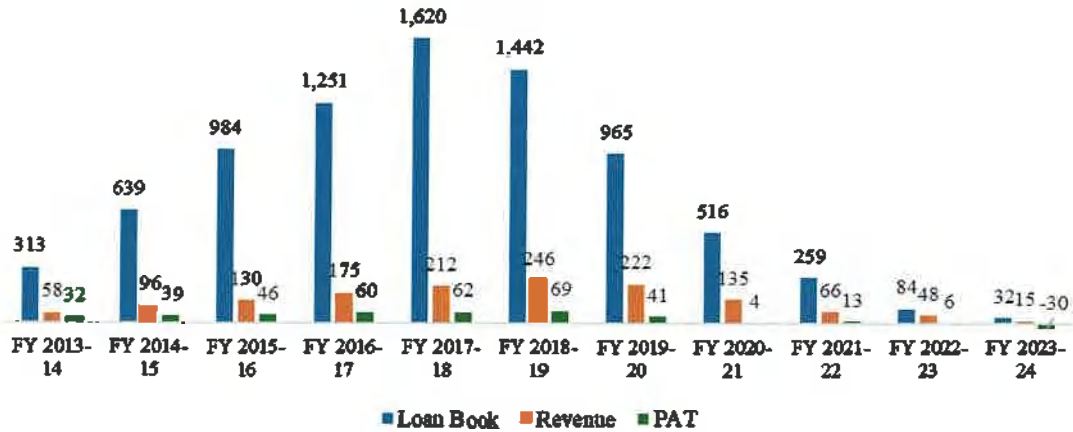
Internal Control Systems:

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

Discussion of financial performance

Following chart summarizes the operating history of the Company:

Loan Book, Revenue and PAT



Notes:
Figures in INR crores

Financial performance during FY 2023-24:

Due to prepayments from some of the existing borrowers, the Company’s loan portfolio reduced from ₹83.76 crores to ₹32.43 crores as compared to previous financial year. The real estate loan book stood at ₹32.43 crores and there was no outstanding balance in the corporate lending book.

Your Company has continued to maintain its prudent practices towards real estate and corporate lending. It has adopted stringent asset recovery measures. The gross NPA was 100% and net NPA was 100% as on March 31, 2024. The gross NPA was 41.85% and net NPA was 35.68% as on March 31, 2023.

The revenue of your Company decreased from ₹48.27 crores in financial year 2022-23 to ₹14.66 crores in the financial year 2023-24, a decline of 69.64% over the previous financial year. The Net Profit after Tax for the Financial Year 2022-2023 was ₹6.50 crores and Net Loss after tax for the Financial Year 2023-2024 is ₹ 29.51 crores.

The borrowings of the Company stood NIL as on March 31, 2024.

Particulars (₹ in crores)	FY 2023-24	FY 2022-23
Total Revenue	14.65	48.27
Profit after tax	(29.51)	6.50
Loan Portfolio	32.43	83.76
Borrowings	Nil	Nil
Net Worth	291.74	397.02
Capital Risk Adequacy Ratio	171.16.%	147.70%
Debt Equity Ratio	Nil	Nil
Gross NPA/Total advances	100%	41.85%

Net NPA/Total advances	100%	35.68%
NIM	2.1%	8.9%
ROA	(8.4%)	1.1%
ROE	(8.6%)	1.3%

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

Human Resource Management

The Company believes that its human resources have the capability and expertise to meet challenging needs of the marketplace. The Company continues to undertake several initiatives in this financial year which include enhancement of staff benefits through comprehensive health care and life cover programmes across all levels.

The Company's pay-for-performance philosophy promotes a strong culture of performance. The Company is responsible for monitoring and implementation of ethical practices and policies at workplace. The Company has put in place policies that are designed to ensure a healthy and safe workplace, free from discrimination where employees can raise complaints without fear. It does not discriminate on grounds of age, gender, colour, ethnicity, language, sexual orientation, caste, economic or social status or special ability. As on March 31, 2024, the Company had 7 employees on its rolls.

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



Rajesh Jogi
Director
DIN: 03341036



Tariq Chinoy
Director
DIN: 08830666

Date: September 11, 2024
Place: Mumbai

ANNEXURE III TO DIRECTORS' REPORT

Disclosure under the Xander Finance Employee Incentive Scheme 2016 (the 'Scheme') pursuant to the provisions of Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 for the financial year ended on March 31, 2024:

Particulars	Disclosure as per the Xander Finance Employee Incentive Scheme 2016 (the 'Scheme')
Total number of options in force as on April 1, 2023	2,15,056
Number of options granted during financial year 2023-24	Nil
Number of options vested during financial year 2023-24	Nil
Number of options exercised during financial year 2023-24	51,878
Total number of shares arising as a result of exercise of options during financial year 2023-24 (refer note below)	Nil
Number of options lapsed / cancelled during financial year 2022-23	Nil
Exercise Price	21
Variation of terms of options	Nil
Money realised by the exercise of options during financial year 2023-24	Nil
Total number of options in force as on March 31, 2024	1,63,178

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

Details of options granted to Key Managerial Personnel ("KMP") under the Xander Finance Employee Incentive Scheme 2016 during financial year 2023-24:

No Options were granted during the financial year 2023-24.

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

No Options were granted during the financial year 2023-24.

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

No Options were granted during the financial year 2023-24.

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


Rajesh Jog
Director
DIN: 03341036


Tariq Chinoy
Director
DIN: 08830666

Date: September 11, 2024

Place: Mumbai

ANNEXURE IV TO DIRECTORS REPORT
DETAILS OF BOARD & COMMITTEE MEETINGS HELD DURING THE FIANNCIAL YEAR
2023-24

1. Board Meetings:

The Board met 6 (six) times during the year under review on the following dates:

First Quarter (April to June)	Second Quarter (July to Sept)	Third Quarter (Oct to Dec)	Fourth Quarter (Jan to March)	Total Board Meetings
28.04.2023 29.04.2023 06.05.2023 27.06.2023 28.06.2023	20.09.2023	19.12.2023	27.03.2024 27.03.2024	9 (Nine)

2. Committee Meetings:

A. Audit Committee-

First Quarter (April to June)	Second Quarter (July to Sept)	Third Quarter (Oct to Dec)	Fourth Quarter (Jan to March)	Total Meetings
12.04.2023 27.06.2023	20.09.2023	19.12.2023	27.03.2024	5 (Five)

B. Nomination and Remuneration Committee-

First Quarter (April to June)	Second Quarter (July to Sept)	Third Quarter (Oct to Dec)	Fourth Quarter (Jan to March)	Total Meetings
28.04.2023 29.05.2023	13.09.2023	19.12.2023	-	4 (Four)

C. Corporate Social Responsibility Committee-

First Quarter (April to June)	Second Quarter (July to Sept)	Third Quarter (Oct to Dec)	Fourth Quarter (Jan to March)	Total Meetings
	20.09.2023	-	27.03.2024	2 (two)

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


Rajesh Jogi
Director
DIN: 03341036


Tariq Chinoy
Director
DIN: 08830666

Date: September 11, 2024

Place: Mumbai

ANNEXURE V TO DIRECTORS' REPORT
Report on Corporate Social Responsibility ('CSR')

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

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

The CSR policy inter-alia includes the following:

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

2. The Composition of the CSR Committee:

The Company has constituted a Corporate Social Responsibility Committee. In terms of Section 135 of the Companies Act, 2013, the Corporate Social Responsibility Committee of the Company constitutes of the following Member as on March 31, 2024:

- Mr. Rajesh Jogi
- Mr. Tariq Chinoy
- Mr. Rohan Sikri

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

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

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

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

Not Applicable

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

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

6. Average net profit of the company as per section 135(5): Rs. 23,12,86,893/-

7. (a) Two percent of average net profit of the company as per section 135(5): Rs. 46,25,738/-

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

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

(d) Total CSR obligation for the financial year (7a+7b- 7c): Rs. 46,25,738/-

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

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
46,26,001	-	-	-	-	-

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

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

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
1.	Promotion of education by granting scholarships to students	promoting education among children	No	Haryana	Gurgaon	Rs. 2,526,000	No	International Foundation for research and Education -	CSR00000712
2.	Project for a) Environment conservation	a) ensuring environmental sustainability, b)	No	Rajasthan	Jaisalmer	Rs. 2,000,000	No	The I Love Foundation -	CSR00001998

	c) Education & Empowerment & d) Promoting Art	promoting education, c) protection of national heritage, art and culture						
3.	PM Cares Fund	contribution to the prime minister's national relief fund	-	-	-	Rs. 100,001	Yes	-

(d) Amount spent in Administrative Overheads: Not Applicable

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

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 46,26,001/-

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

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	Rs. 46,25,738
(ii)	Total amount spent for the Financial Year	Rs. 46,26,001
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

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

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

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

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

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

(a) Date of creation or acquisition of the capital asset(s) – Not Applicable

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

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

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

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

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


Rajesh Jogi
Director
DIN: 03341036


Tariq Chinoy
Director
DIN: 08830666

Date: September 11, 2024
Place: Mumbai

Independent Auditor's Report

To the Members of Xander Finance Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of Xander Finance Private Limited, ("the Company"), which comprises the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of changes in Equity for the year then ended, and notes to the Standalone Financial Statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit/loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs), specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Statements" section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Companies Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit 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 for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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

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

S. No.	Key Audit Matters	How the matter was addressed in our audit
1	<p>Impairment of Loans and Advances (Expected Credit Loss Allowance)</p> <p>All the loans and advances accounts as on 31st March, 2024 are Non-Performing Accounts and due to the significance of the judgments w.r.t provision of Expected Credit Loss in terms of the Indian Accounting Standard (IND AS) 109 and the management estimation of the related impairment provisions, this is considered to be a key audit matter.</p>	<p>Our audit procedures included, among others, the following:</p> <p>i. Evaluated appropriateness of the impairment principles based on the requirements of Ind AS 109 read with RBI Circular DOR (NBFC)CC.PD.No.109/22.10.106/2019-20 on Implementation of Indian Accounting Standards, Expected Credit Loss Policy, our business understanding and industry practice:</p> <p>ii. Evaluated the reasonableness of the Management estimates by understanding the process of ECL estimation and tested the controls around data extraction and validation.</p> <p>iii. Tested the criteria for staging of loans based on their past-due status to check compliance with requirement of Ind AS 109.</p>
2	<p>Fair valuation of Security Receipts</p> <p>Investment in Security Receipts of ARCs represent significant amount in terms of size of the Balance Sheet.</p> <p>Security Receipts are classified at "Fair Value Through Profit & Loss" (FVTPL) by the Company as the contractual cash flows of the Security Receipts do not represent for Solely for Principal and Interest (SPPI) on amount outstanding under the basic lending arrangement.</p>	<p>Our audit procedures included, among others, the following:</p> <p>i. Evaluated appropriateness of the Fair Value of Security Receipts based on the valuation principles as laid in Master Direction Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021.</p> <p>ii. Read the RBI Circular DOR (NBFC)CC.PD.No.109/22.10.106/2019-20 on Implementation of Indian Accounting Standards, Expected Credit Loss Policy, our business understanding and industry practice to evaluate the correctness of the ECL adopted by the Company.</p>



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

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

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

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including Other Comprehensive Income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS Financial Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using 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 are also responsible for overseeing the Company's financial reporting process.



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

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a 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:

- a. Identify and assess the risk of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risk, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial control system in place and the operating effectiveness of such controls.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- e. Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with 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 for the year ended March 31, 2024 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 matters or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e) On the basis of the written representations received from the directors of the Company as on 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 with reference to these Standalone Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**" to this report.
 - g) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid /provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements. Refer Note No.40 to the Standalone Financial Statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, if any, required to be transferred, to the Investor Education and Protection Fund by the Company, if any.
 - iv. (i) 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, that the Intermediary shall:
 - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or
 - b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.(ii) 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:
 - a. directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or
 - b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to my/our notice that has caused us to believe that the representations under sub-clause (i) and d (ii) contain any material mis statement.
 - v. The Company did not declare or paid any dividend during the year and accordingly, reporting under Rule 11(f) of the Companies (Audit and Auditors) Rules 2014 is not applicable.
 - vi. Based on our examination which included test checks and information given to us, the Company has used accounting softwares for maintaining its books of account, which did not have a feature of recording audit trail (log-in facility)



throughout the year for all relevant transactions recorded in the respective softwares, hence we are unable to comment on audit trail feature of the said software.

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



Ravi Gujral
Partner (Membership No. 514254)
Place: New Delhi
Date: 25th June, 2024
UDIN: 24514254BKESRF2951

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

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

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

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

(c) The Company does not own any Immovable Property and accordingly, the requirements under clause (i)(c) of the Order is not applicable to the Company and hence not been commented upon.

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

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

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

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

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

(b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the investment made by the Company in the form of Security Receipts of Asset Restructuring Companies and Investment in its Subsidiary are not prejudicial to the interest of the Company. No guarantees and security has been provided by the company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, there are four (4) Loan accounts which have been classified as NPA with total Loan outstanding balance of Rs. 32.26 crores. Out of the said four



(04) Loan accounts, two (02) Loan account of one borrower with Loan outstanding balance of Rs. 5.57 crores as on 31st March, 2024 turned NPA during the FY 2023-24 which were restructured in the FY 2022-23.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company is taking reasonable steps for recovery of the principal and interest.

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

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

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

(v) The Company has not accepted deposits within the meaning of Section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) during the year and therefore, reporting under clause (v) of CARO 2020 is not applicable to the Company.

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

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

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

(b) There were no undisputed amounts payable in respect of Provident Fund, Income Tax, Sales Tax, Service Tax, Value Added Tax, Goods and Services Tax, and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable. The provisions relating to duty of Excise, Employees' State Insurance, Duty of Custom and Cess are not applicable to the Company.

(c) Details of dues of Income Tax and Goods and Services Tax which have not been deposited as at March 31, 2024 on account of dispute are given below:

Sr. No.	Name of the Statute	Nature of dues	Financial Year	Amount of Demand (Rs.)	Forum where dispute is pending
1	Finance Act, 1994 (Service Tax)	Tax redemption premium on	2015-16	23,63,500	Commissioner of Central excise and CGST, Commissionerate, Mumbai



2	Finance Act, 1994 (Service Tax)	disallowance of CENVAT credit availed in respect of unregistered premises	2016-17 and 2017-18	73,700	Reply to SCN filed; Order awaited
3	Income Tax Act, 1961	Income tax	2018-19	1,64,23,408	Commissioner of Income Tax Appeals
4	Income Tax Act, 1961	Income tax	2016-17	1,22,91,720	Commissioner of Income Tax Appeals
5	Central Goods and Services Tax Act, 2017	Goods and Service Tax	2017-18	41,40,408	Deputy Commissioner of States Tax, Mumbai
6	Central Goods and Services Tax Act, 2017	Goods and Service Tax	2018-19	4,11,820	Appeal yet to be filed by the Company

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has disclosed the interest income of Security Receipts of Rs. 1,13,99,601 which was previously not recorded as income in the books of account pertaining to FY 2022-23. Same has been shown and recorded in the Financial Statements of FY 2023-24 in the corresponding figures pertaining to FY 2022-23 (**restated**).

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

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

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, clause (ix)(c) of the Order is not applicable

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds have been raised on short-term basis by the Company. Accordingly, clause (ix)(d) of the Order is not applicable

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause (ix)(e) of the Order is not applicable.



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

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

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause(x)(b) of the Order is not applicable.

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

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received, if any, by the Company during the year while determining the nature, timing and extent of our audit procedures

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

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

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

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

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

(xvi) (a) According to the information and explanations given to us, we report that the Company has registered as required, under section 45-1A of the Reserve Bank of India Act, 1934.



(b) According to the information and explanations given to us, we report that the company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India.

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

(d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause (xvi)(d) are not applicable.

(xvii) The Company has incurred cash losses of Rs.8,88,46,245 in the FY 2023-24. There was no cash loss in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause (xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of 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) In terms of Section 135 of Companies Act, 2013. Company has spent the entire requisite amount on Corporate Social Responsibilities as on 31st March 2024. Accordingly, the requirements under clause(xx) (a) and (b) of the Order are not applicable to the Company.

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

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



Ravi Gujral
Partner (Membership No. 514254)

Place: New Delhi

Date: 25th Jun, 2024

UDIN: 24514254 BIC ESRF2951

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

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

We have audited the Internal Financial Controls over Financial Reporting of Xander Finance Private Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining Internal Financial Controls based on the Internal Control over Financial Reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate Internal Financial Controls that were operating effectively for ensuring the orderly and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's Internal Financial Controls over Financial Reporting with reference to these Standalone Financial Statements based on our audit. We conducted our 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 Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls over Financial Reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls over Financial Reporting and their operating effectiveness. Our audit of Internal Financial Controls over Financial Reporting included obtaining an understanding of Internal Financial Controls over Financial Reporting with reference to these Standalone Financial Statements, assessing the risk that a material 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 judgment, including the assessment of the risks of 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 with reference to these Standalone Financial Statements.

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



A Company's Internal Financial Controls over Financial Reporting with reference to these Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of Financial Reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's Internal Financial Controls over Financial Reporting with reference to these Standalone Financial Statements includes those policies and procedures that (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Financial Statements.

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

Because of the inherent limitations of Internal Financial Controls over Financial Reporting with reference to these Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the Internal Financial Controls over Financial Reporting with reference to these Standalone Financial Statements to future periods are subject to the risk that the Internal Financial Controls over Financial Reporting with reference to these Standalone Financial Statements may become inadequate because of 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, the Company has, in all material respects, adequate Internal Financial Controls System over financial reporting with reference to these Standalone Financial Statements and such Internal Financial Controls over Financial Reporting with reference to these Standalone Financial Statements were operating effectively as at March 31, 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 **RAVI RAJAN & CO. LLP**
Chartered Accountants
(Firm's Registration No. 009073N/N500320)



Ravi Gujral
Partner (Membership No.514254)
Place: New Delhi
Date: 25th June, 2025
UDIN: 24514254 BIKESRF2957

Xander Finance Private Limited
Standalone Balance Sheet as at 31st March 2024
(All amounts are in Indian Rupees unless otherwise stated)

Particulars	Notes	As at 31st Mar 2024 Audited	As at 31st March 2023 Restated
I ASSETS			
1 Financial assets			
Cash and cash equivalents	3	2,79,54,070	76,66,90,525
Bank balance other than cash and cash equivalents	4	1,01,71,91,773	32,37,48,890
Loans	5	18,36,76,551	75,39,08,484
Investments	6	1,16,29,84,457	1,51,59,74,481
Other financial assets	7	1,52,01,105	2,03,37,073
		2,40,70,07,956	3,38,06,59,453
2 Non-financial assets			
Current tax assets (net)	8	19,92,12,165	22,72,87,908
Deferred tax assets (net)	9	18,57,13,932	11,10,84,029
Property, plant and equipment	10	1,06,87,689	2,85,08,961
Intangible assets	11	3,92,281	5,95,245
Other non financial assets	12	20,41,07,008	27,82,89,813
		60,01,13,075	64,57,65,956
Total Assets		3,00,71,21,031	4,02,64,25,409
II LIABILITIES AND EQUITY			
1 Financial liabilities			
Payables			
Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises	13		
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		4,91,93,474	1,37,77,270
Other financial liabilities	14	1,29,49,862	3,15,24,387
		6,21,43,336	4,53,01,657
2 Non-financial liabilities			
Current tax liabilities (net)	15	7,24,674	7,24,674
Provisions	16	1,10,47,057	63,49,444
Other non-financial liabilities	17	1,57,71,086	38,55,282
		2,75,42,817	1,09,29,400
3 Equity			
Equity share capital	18	1,12,33,59,160	1,48,05,02,160
Other equity	19	1,79,40,75,718	2,48,96,92,192
		2,91,74,34,878	3,97,01,94,352
Total Liabilities and Equity		3,00,71,21,031	4,02,64,25,409
Summary of material accounting policies	2.3		
The accompanying notes are an integral part of the financial statements			
As per our report of even date			

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

per Ravi Gujral
Partner

Membership No. 514254



UDIN No 24514254BKESRF2951

Place: New Delhi
Date:- June 25, 2024

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

Tariq Chinov
Director
DIN No.: 08830666

Rajesh Jogi
Director
DIN No.: 03341036

Mansi Gandhi
Company Secretary

Place: Mumbai
Date:- June 25, 2024

Xander Finance Private Limited
 Standalone Statement of Profit and Loss for the period ended 31st March 2024
 (All amounts are in Indian Rupees unless otherwise stated)

Particulars	Notes	Year ended 31st March 2024 Audited	Year ended 31 March 2023 Restated
Revenue from operations			
(i) Interest income	20	6,39,83,859	41,38,01,457
(ii) Other operating income	21	1,59,37,417	1,13,99,601
(iii) Net gain on fair value changes	22	97,76,445	1,89,78,575
(I) Total revenue from operations		8,96,97,721	44,41,79,633
(II) Other income	23	5,68,53,909	3,85,69,204
(III) Total income (I + II)		14,65,51,630	48,27,48,837
Expenses			
(i) Finance cost	24	18,02,364	3,97,34,362
(ii) Net loss on fair value changes	25	25,07,52,323	15,55,72,537
(iii) Impairment of financial assets	26	5,68,74,398	1,01,82,152
(iv) Employee benefit expenses	27	3,65,47,075	6,34,72,890
(v) Depreciation, amortization and impairment	28	1,75,10,731	1,92,03,112
(vi) Other expenses	29	13,76,76,375	11,67,81,186
(IV) Total expenses (IV)		50,11,63,266	40,49,46,238
(V) Profit / (Loss) before tax		(35,46,11,636)	7,78,02,599
(VI) Tax expense:			
(1) Current tax		-	4,40,00,000
(2) Deferred tax		(7,37,41,029)	(3,12,35,580)
(3) Earlier years adjustments		1,42,50,434	-
(VII) Profit / (Loss) for the year		(29,51,21,041)	6,50,38,178
(VIII) Other comprehensive income / (Loss)			
A (i) Items that will not be classified to profit or loss			
- Actuarial loss on gratuity valuation		(35,31,763)	(12,77,170)
Tax on above		8,88,874	3,21,438
Subtotal (A)		(26,42,889)	(9,55,732)
B (i) Items that will be classified to profit or loss (specify items and amounts)		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Subtotal (B)		-	-
Other comprehensive income / (Loss) (A + B)		(26,42,889)	(9,55,732)
(IX) Total comprehensive income / (Loss) for the year		(29,77,63,930)	6,40,82,447
Earnings per equity share (nominal value of equity share Rs. 10 each)	31		
Basic		(2.56)	0.44
Diluted		(2.56)	0.44
Summary of material accounting policies	2.3		

The accompanying notes are an integral part of the financial statements
 As per our report of even date

For RAVI RAJAN & CO. LLP
 ICAI Firm's Registration number: 009073N/NS00320
 Chartered Accountants

per Ravi Gujral
 Partner
 Membership No. 514254



UDIN: 24514254BIC ESRF 2951

Place: New Delhi
 Date: - June 25, 2024

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

Tariq Chinoy
 Director
 DIN No.: 08830666

Rajesh Jogi
 Director
 DIN No.: 03341036

Mansi Gandhi
 Company Secretary

Place: Mumbai
 Date: - June 25, 2024

Xander Finance Private Limited
Standalone Cash Flow Statement for the year ended 31st March 2024
(All amounts are in Indian Rupees unless otherwise stated)

Particulars	Year ended 31st March 2024 Audited	Year ended 31 March 2023 Restated
Cash flow from Operating activities		
Profit / (Loss) before tax as per the statement of profit and loss	(35,81,43,399)	7,65,25,429
Adjustment for		
Expected credit loss on advances	5,68,74,398	(92,52,325)
Depreciation and amortisation	1,75,10,731	1,92,03,112
Interest on fixed deposits	(5,24,78,981)	(1,51,96,492)
Interest income-unwinding of security deposit	(6,74,231)	(6,25,531)
Interest on lease liability	17,86,477	33,00,209
Loss on sale of property, plant and equipment	5,21,681	7,722
Net gain/loss on fair value changes	25,07,52,323	15,55,72,537
Employee Stock Option Plan (ESOP) reserve	(49,95,244)	62,91,727
Operating profit / (Loss) before working capital changes	(8,88,46,245)	23,58,26,388
Movement in working capital		
Increase / (Decrease) in other financial liabilities	8,91,400	(8,31,036)
Increase / (Decrease) in other non- financial liabilities	1,19,15,804	(1,05,082)
Increase / (Decrease) in trade payables	3,54,16,204	99,45,630
Increase / (Decrease) in provisions	46,97,613	19,33,525
(Increase) / Decrease in loans	51,33,57,535	1,74,92,22,276
(Increase) / Decrease in financial assets	(68,76,32,684)	(16,29,34,281)
(Increase) / Decrease in other non- financial assets	7,41,82,804	9,74,70,231
Cash Used in operations	(4,71,71,324)	1,69,47,01,283
Less: Direct taxes paid (Net of refunds)	1,38,25,309	(5,07,89,897)
Net Cash from/ (used) in operating activities	A (12,21,92,260)	1,87,97,37,773
Cash flow from Investing activities		
Purchase of property, plant and equipment including capital work in progress and capital advances	18,175	(8,53,404)
Sale of investments	10,22,37,701	31,31,94,910
Purchase of investments	-	-
Interest on fixed deposits	5,24,78,981	1,51,96,492
Net Cash from/ (used) for Investing activities	B 15,47,08,507	32,75,37,998
Cash flow from Financing activities		
Proceeds from debt securities (net)	-	(80,40,38,814)
Proceeds from borrowings other than debt securities (net)	-	(49,90,42,066)
Payment of lease rent	(2,12,52,402)	(2,03,37,225)
Buy back of shares	(75,00,00,300)	-
Payment of interim dividend	-	(43,33,13,375)
Net Cash from/ (used) in Financing activities	C (77,12,52,702)	(1,75,67,31,480)
Net increase in cash and cash equivalents (A)+(B)+(C)	(73,87,36,455)	45,05,44,291
Cash and Cash Equivalents at the beginning of the year	76,66,90,525	34,63,72,516
Cash and Cash Equivalents at the end of the year	2,79,54,069	79,69,16,808
Components of Cash and Cash Equivalents at the end of the year:		
- Cash in hand	7,790	31,487
- Cheques in hand	-	-
- Balance with banks		
- in current accounts	79,41,446	1,52,53,651
- in fixed deposits	2,00,04,834	78,16,31,669
	2,79,54,070	79,69,16,807

Summary of material accounting policies 2.3
The accompanying notes are an integral part of the financial statements
As per our report of even date

For RAVI RAJAN & CO. LLP
ICAI Firm's Registration number: 009073N/NS00320
Chartered Accountants

per Ravi Guiral
Partner
Membership No. 514254



UDIN No 24514254 ISKESRF 2857

Place: New Delhi
Date:- June 25, 2024

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

Tariq Chinay
Director
DIN No.: 08830666

Mansi Gaudhi
Company Secretary

Place: Mumbai
Date:- June 25, 2024

Bhish Jagi
Director
DIN No.: 03341036

Xander Finance Private Limited
Statement of changes in equity for the year ended 31 March 2024
 (All amounts are in Indian Rupees unless otherwise stated)

A. Equity Share Capital

Balance at the beginning of the reporting period	Issued during the period	Reductions during the period	Balance at the end of the reporting period
1,48,15,02,164	-	35,71,43,000	1,12,33,59,160

B. Other equity

Particulars	Reserves and Surplus						Total
	Statutory Reserve	ESOP Reserve	Share Premium Account	Capital Redemption Reserve	Retained Earnings	Other Comprehensive Income	
Opening balance as at March 31, 2023	79,10,63,501	21,30,256	1,51,81,38,907	-	54,02,11,316	10,87,414	2,85,26,31,894
Profit for the year	-	-	-	-	6,50,38,178	-	6,50,38,178
Actuarial gain/(loss) on gratuity valuation	-	-	-	-	-	(9,55,732)	(9,55,732)
Dividend paid	-	-	-	-	(43,33,13,375)	-	(43,33,13,375)
Fair value of Employee Stock Option Plan (ESOP)	-	62,91,727	-	-	-	-	62,91,727
Transfer to/from retained earnings	(1,30,08,000)	-	-	-	(1,30,08,000)	-	-
Closing balance as at March 31, 2023	80,40,71,501	84,21,983	1,51,81,38,907	-	15,89,28,119	1,31,682	2,48,96,92,192
Opening balance as at March 31, 2023	80,40,71,501	84,21,983	1,51,81,38,907	-	15,89,28,119	1,31,682	2,48,96,92,192
Profit / (loss) for the year	-	-	-	-	(29,51,21,941)	-	(29,51,21,941)
Other Comprehensive income / (loss) for the year	-	-	-	-	-	(26,42,889)	(26,42,889)
Dividend paid	-	-	-	-	-	-	-
Fair value of Employee Stock Option Plan (ESOP)	-	(49,95,244)	-	-	-	-	(49,95,244)
Adjustment on account of Buy Back	-	-	(19,28,57,300)	-	-	-	(19,28,57,300)
Transfer to Capital Redemption Reserve	-	-	(35,71,43,000)	35,71,43,000	-	-	-
Transfer to/from retained earnings	-	-	-	-	-	-	-
Closing balance as at March 31, 2024	80,40,71,501	34,26,739	76,81,38,607	35,71,43,000	(13,61,92,922)	(25,11,207)	1,79,40,78,718

Summary of material accounting policies

The accompanying notes are an integral part of the financial statements
 As per our report of even date

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

per **Ravi Gujral**
 Partner
 Membership No. 514254



UDIN: 24574254/2024-2951

Place: New Delhi
 Date: June 25, 2024

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

T2
Tariq Chinoy
 Director
 DIN No. 08830698
Mansi Gaudhi
 Company Secretary

Ashish Jogi
 Director
 DIN No. 03341036

Place: Mumbai
 Date: June 25, 2024

1. Corporate Information

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

The audited financial statements were subject to review and recommendation of Audit Committee and approval of Board of Directors. On June 25, 2024, Board of Directors of the Company approved and recommended the audited financial statements for consideration and adoption by the shareholders in its Annual General Meeting.

2. Basis of preparation

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

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

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

2.1. Presentation of financial statements

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

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

2.2. Statement of compliance

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



Three handwritten signatures in blue ink, appearing to be initials or names, located at the bottom right of the page.

2.3. Significant accounting policies

2.3.1 Revenue from operations

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

Revenue includes the following:

(i) Interest Income

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

The EIR in case of a financial asset is computed

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

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

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

(ii) Net gain on Fair value changes

Any differences between the fair values of financial assets (including investments) classified as fair value through the profit or loss ("FVTPL") (refer Note 22 and Note 25), held by the Company on the balance sheet date is recognised as an unrealised gain / loss. In case there is a net gain in the aggregate, the same is recognised in "Net gain on fair value changes" under Revenue from operations and if there is a net loss the same is disclosed under "Expenses" in the statement of Profit and Loss. Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL and debt instruments measured at FVOCI is recognised in net gain / loss on fair value changes.

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

(iii) Other operational revenue

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

2.3.2 Financial Instruments

Financial assets and liabilities can be termed as financial instruments.

2.3.2.1 Classification of financial instruments

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



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

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

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

Financial Assets

(i) Financial assets measured at amortised cost

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

Financial assets with contractual terms that give rise to cash flows on specified dates and represent solely payments of principal and interest on the principal amount outstanding; and are held within a business model whose objective is achieved by holding to collect contractual cash flows are measured at amortised cost.

These financial assets are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or a financial liability.

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

Debt instruments

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

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

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

Equity instruments

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

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



Xander Finance Private Limited

Notes forming part of Financial Statements for the year ended March 31, 2024

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

Items at fair value through profit or loss comprise:

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

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

Financial instruments held for trading

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

Financial Liabilities

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

(i) Debt securities and other borrowed funds

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

(ii) Undrawn loan commitments

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

2.3.3 Derecognition of financial assets and financial liabilities

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

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



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

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

- i. The Company has transferred its contractual rights to receive cash flows from the financial asset; or
- ii. It retains the rights to the cash flows but has assumed an obligation to pay the received cash flows.

A transfer only qualifies for derecognition if either:

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

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

2.3.3.3 Derecognition of Financial liabilities

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

2.3.3.4. Offsetting of financial instruments

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

2.3.3.5. Investments in subsidiaries

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

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



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2.3.4 Impairment of financial assets

Overview of the ECL principles

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

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

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

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

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

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

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

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

Stage 1

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

Stage 2

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



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Stage 3

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

Credit-impaired financial assets

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

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

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

Loan commitments

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

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

Probability of Default (PD) - The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period if the facility has not been previously derecognised and is still in the portfolio. The concept of PD is further explained in Note 43

Exposure at Default (EAD)- The Exposure at Default is an estimate of the exposure at a future default date. The concept of EAD is further explained in Note 43

Loss Given Default (LGD) - The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD. The concept of LGD is further explained in Note 43.

2.3.5 Collateral valuation

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



2.3.6 Write-offs

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

2.3.7 Determination of fair value

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

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

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

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

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

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

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

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

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

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

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



Difference between transaction price and fair value at initial recognition

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

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

2.3.8 Expenses

2.3.8.1 Finance costs

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

The EIR in case of a financial liability is computed

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

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

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

2.3.8.2 Retirement and other employee benefits

(i) Short term employee benefit

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

(ii) Post-employment employee benefits

a) Defined contribution schemes

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



b) **Defined Benefit schemes**

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

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

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

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

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

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

2.3.8.3 Share-based payments

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

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

2.3.8.4 Other income and expenses

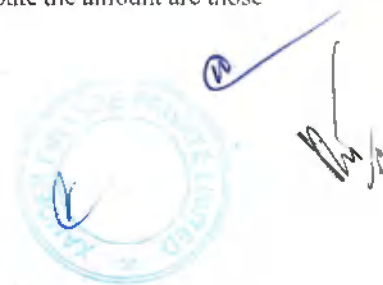
All Other income and expense are recognized in the period they occur.

2.3.8.5 Taxes

Tax expense comprises current and deferred tax.

Current Tax

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



Xander Finance Private Limited

Notes forming part of Financial Statements for the year ended March 31, 2024

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

Deferred Tax

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

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

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

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

Deferred tax relating to items recognised outside statement of profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

2.3.9 Foreign currency translation

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

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

2.3.10 Cash and cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

2.3.11 Property, plant and equipment

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



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Xander Finance Private Limited

Notes forming part of Financial Statements for the year ended March 31, 2024

taxes and any other incidental expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

Subsequent expenditure related to an item of tangible asset are added to its gross value only if it increases the future benefits of the existing asset, beyond its previously assessed standards of performance and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

Depreciation

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

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

The estimated useful lives are as follows:

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

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

2.3.12 Intangible assets

An intangible asset is recognised only when its cost can be measured reliably, and it is probable that the expected future economic benefits that are attributable to it will flow to the Company.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset comprises its purchase price and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

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

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



Amortisation on assets acquired/sold during the year is recognised on a pro-rata basis to the Statement of Profit and Loss from / up to the date of acquisition/sale.

Amortisation is calculated using the straight-line method to write down the cost of intangible assets to their residual values over their estimated useful lives. Intangible assets comprising of software are amortised on a straight-line basis over a period of 3 years unless it has a shorter useful life.

The Company's intangible assets consist of computer software with definite life.

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

2.3.13 Leases (As a lessee)

Identifying a lease

At the inception of the contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company assesses whether:

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

This policy is applied to contracts entered into, or changed, on or after 1 April 2018.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component based on their relative stand-alone prices.

Recognition of right of use asset

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

Subsequent measurement of right of use asset

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

Recognition of lease liability

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

Subsequent measurement of lease liability

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

It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a



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Xander Finance Private Limited

Notes forming part of Financial Statements for the year ended March 31, 2024

purchase, extension or termination option. Whenever the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right of use asset or is recorded in statement of profit or loss of the carrying amount of the right of use asset has been reduced to zero.

Short-term leases and leases of low-value assets

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

2.3.14 Provisions

A provision is recognized when:

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

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows. Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

2.3.15 Contingent Liabilities

A contingent liability is disclosed in case of:

- (i) a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or
- (ii) a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

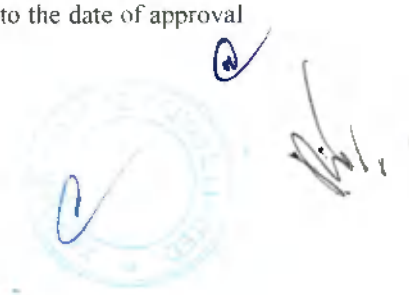
2.3.16 Earning Per Share

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

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

2.3.17 Contingencies and events occurring after the Balance Sheet date

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



2.3.18 Significant accounting judgements, estimates and assumptions

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



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Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March, 2024
(All amounts are in Indian Rupees unless otherwise stated)

Note 3: Cash and cash equivalents

Particulars	As at 31st Mar 2024 Audited	As at 31 March 2023 Restated
Cash on hand	7,790	31,487
Balances with Banks		
- fixed deposits (with original maturity within 3 months)	2,00,04,834	75,14,05,387
- in current accounts	79,41,446	1,52,53,651
Cheques in hand	-	-
Total	2,79,54,070	76,66,90,525

Note 4: Bank balance other than cash and cash equivalents

Particulars	As at 31st Mar 2024 Audited	As at 31 March 2023 Restated
Balances with Banks		
- fixed deposits (with original maturity greater than 3 months)	1,01,71,91,773	32,37,48,890
Total	1,01,71,91,773	32,37,48,890



Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March, 2024
 (All amounts are in Indian Rupees unless otherwise stated)

Note 5: Loans

Particulars	As at 31st Mar 2024 Audited	As at 31 March 2023 Restated
Receivables under financing activities (at amortised cost)	32,42,61,177	83,76,18,712
Total (A) - Gross	32,42,61,177	83,76,18,712
Less: Provision for expected credit losses	14,05,84,626	8,37,10,228
Total (A) - Net	18,36,76,551	75,39,08,484
i) Secured by tangible assets and intangible assets	32,42,61,177	83,76,18,712
ii) Unsecured	-	-
Total (B) - Gross	32,42,61,177	83,76,18,712
Less : Provision for expected credit losses	14,05,84,626	8,37,10,228
Total (B) - Net	18,36,76,551	75,39,08,484
Loans in India		
i) Public Sector	-	-
ii) Others (to be specified)	32,42,61,177	83,76,18,712
Total (C) - Gross	32,42,61,177	83,76,18,712
Less: Provision for expected credit losses	14,05,84,626	8,37,10,228
Total (C) - Net	18,36,76,551	75,39,08,484
Loans outside India	-	-
Less: Provision for expected credit losses	-	-
Total - Net	-	-
Total	18,36,76,551	75,39,08,484

Note:

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



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Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March, 2024
(All amounts are in Indian Rupees unless otherwise stated)

Note 6: Investments

Particulars	As at 31st Mar 2024 Audited	As at 31 March 2023 Restated
Measured at Cost		
i) Investment in Subsidiary (1,20,00,000 unquoted equity shares (31st March 2020 : 1,20,00,000) of face value of Rs.10/- each of Balestier Ventures Private Limited formerly known as 'Yuj Home Finance Private Limited')	12,00,00,000	12,00,00,000
Measured at FVTPL		
Security Receipts *		
i) Investment in CFMARC Trust I	15,27,45,000	15,27,45,000
ii) Investment in Arcil-AST-063-II Trust	55,25,85,000	55,25,85,000
iii) Investment in Arcil-AST-063-I Trust	33,99,15,000	33,99,15,000
iv) Investment in ACRE-107-Trust	29,21,67,909	30,06,67,760
v) Investment in ACRE-115-Trust	4,43,77,113	8,01,28,497
Total - Gross	1,50,17,90,022	1,54,60,41,257
Investments in India	1,50,17,90,022	1,54,60,41,257
Investments outside India	-	-
Total - Gross	1,50,17,90,022	1,54,60,41,257
Less : Provision on investments	33,88,05,565	3,00,66,776
Total - Net	1,16,29,84,457	1,51,59,74,481

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



Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March, 2024
(All amounts are in Indian Rupees unless otherwise stated)

Note 7: Other financial assets

Particulars	As at 31st Mar 2024 Audited	As at 31 March 2023 Restated
Security deposits	1,30,51,032	1,09,82,146
Other receivables	21,50,073	93,54,927
Total	1,52,01,105	2,03,37,073

Note 8: Current tax assets (net)

Particulars	As at 31st Mar 2024 Audited	As at 31 March 2023 Restated
Advance income tax (net of provision for tax)	19,92,12,165	22,72,87,908
Total	19,92,12,165	22,72,87,908

Note 9: Deferred tax assets (net)

Particulars	As at 31st Mar 2024 Audited	As at 31 March 2023 Restated
Deferred tax assets		
Provision for expected credit losses	3,53,82,339	2,10,68,190
Impact of provision for gratuity	26,00,244	13,65,670
Impact of provision for employee stock option plan (ESOP)	8,62,442	21,19,645
Impact of provision for leave encashment	1,80,079	2,32,358
Impact of unamortised processing fees on loans	-	15,49,641
Lease Liability	26,67,902	75,67,086
Fair valuation of Security Deposits	90,087	2,59,777
Fair valuation of Investments and other assets	14,27,30,646	7,96,21,301
Impact of difference between tax depreciation and depreciation/amortization charged for financial reporting	16,20,196	-
Deferred tax liabilities		
Impact of difference between tax depreciation and depreciation/amortization charged for financial reporting	-	22,99,632
Interest on NPA on loans	4,20,003	4,00,007
Total	18,57,13,932	11,10,84,029



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Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March, 2024
(All amounts are in Indian Rupees unless otherwise stated)

Note 10: Property, plant and equipment

Particulars	Computers	Furniture & Fixtures	Office Equipment	Leasehold Improvements	Buildings (leased)	Total
At cost or fair value at the beginning of the year	31,69,158	19,48,132	15,10,834	3,45,03,957	10,91,63,883	15,02,95,964
Additions	8,175	-	-	-	-	8,175
Acquisitions through business combination	-	-	-	-	-	-
Revaluation adjustment, if any	-	-	-	-	-	-
Disposals	2,60,022	-	49,050	88,12,376	-	91,21,448
Reclassification from/to held for sale	-	-	-	-	-	-
At cost or fair value at the end of the year	29,17,311	19,48,132	14,61,784	2,56,91,581	10,91,63,883	14,11,82,691
Accumulated Depreciation and impairment as at the beginning of the year	25,42,255	11,89,071	13,75,222	3,27,78,759	8,39,01,696	12,17,87,003
Depreciation for the year	2,52,125	1,76,806	47,572	-	1,68,41,457	1,73,17,960
Disposals	1,91,606	-	46,598	83,71,757	-	86,09,961
Impairment (reversal) of impairment	-	-	-	-	-	-
Reclassification from/to held for sale	-	-	-	-	-	-
Accumulated Depreciation and impairment as at the end of the year	26,02,774	13,65,877	13,76,196	2,44,07,002	10,07,43,153	13,04,95,002
Net Carrying amount as at the end of the year	3,14,537	5,82,255	85,588	12,84,579	84,20,730	1,06,87,689
Net Carrying amount as at the end of the previous year	6,26,903	7,59,061	1,35,612	17,25,198	2,52,62,187	2,85,08,961

Note 11: Intangible assets

Particulars	Software	Total
At cost, beginning of the year	10,71,105	10,71,105
Additions	-	-
Acquisitions	-	-
Fair value adjustment, if any	-	-
Disposals	2,03,863	2,03,863
Total Cost	8,67,242	8,67,242
Accumulated amortisation and impairment:		
At the beginning of the year	4,75,860	4,75,860
Amortisation	1,92,771	1,92,771
Disposals	1,93,670	1,93,670
Impairment (reversal) of impairment	-	-
Total Amortisation and impairment	4,74,961	4,74,961
Net Carrying amount as at the end of the year	3,92,281	3,92,281
Net Carrying amount as at the end of the previous year	5,95,245	5,95,245



Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March, 2024
(All amounts are in Indian Rupees unless otherwise stated)

Note 12: Other non-financial assets

Particulars	As at 31st Mar 2024 Audited	As at 31 March 2023 Restated
Prepaid expenses	9,58,965	2,48,11,474
Asset acquired in satisfaction of loans (held for sale)	15,39,65,555	21,84,76,958
Advance against expenses	7,33,540	36,66,482
GST & service tax input credit available / receivable	4,84,48,948	3,13,34,899
Total	20,41,07,008	27,82,89,813



Xander Finance Private Limited

Notes to the standalone financial statements as at 31st March, 2024
(All amounts are in Indian Rupees unless otherwise stated)

Note 13: Trade payables

Particulars	As at 31st Mar 2024 Audited	As at 31 March 2023 Restated
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	4,91,93,474	1,37,77,270
Total	4,91,93,474	1,37,77,270

Ageing for trade payables outstanding as at March 31, 2024 is as follows:

Particulars	Outstanding for Following Periods From Due Date of Payment			Total
	Less than 1 year	1-2 yrs.	More than 3 yrs.	
(i) MSME*	-	-	-	-
(ii) Others	4,91,93,474	-	-	4,91,93,474
(iii) Disputed Dues - MSME*	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-

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

Ageing for trade payables outstanding as at March 31, 2023 is as follows:-

Particulars	Outstanding for Following Periods From Due Date of Payment			Total
	Less than 1 year	1-2 yrs.	More than 3 yrs.	
(i) MSME*	-	-	-	-
(ii) Others	1,37,77,270	-	-	1,37,77,270
(iii) Disputed Dues - MSME*	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-

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



Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March, 2024
(All amounts are in Indian Rupees unless otherwise stated)

Note 14: Other financial liabilities

Particulars	As at 31st Mar 2024 Audited	As at 31 March 2023 Restated
Lease Liability	1,06,00,374	3,00,66,299
Payable for expenses	23,49,488	14,58,088
Total	1,29,49,862	3,15,24,387

Note 15: Current tax liabilities (net)

Particulars	As at 31st Mar 2024 Audited	As at 31 March 2023 Restated
For taxation	7,24,674	7,24,674
Total	7,24,674	7,24,674

Note 16: Provisions

Particulars	As at 31st Mar 2024 Audited	As at 31 March 2023 Restated
Provision for employee benefits		
- Gratuity	1,03,31,548	54,26,216
- Leave encashment	7,15,509	9,23,228
Total	1,10,47,057	63,49,444

Note 17: Other Non-financial liabilities

Particulars	As at 31st Mar 2024 Audited	As at 31 March 2023 Restated
Statutory dues payable	1,57,71,086	38,55,282
Total	1,57,71,086	38,55,282



Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March, 2024
(All amounts are in Indian Rupees unless otherwise stated)

Note 18: Equity share capital

Particulars	As at 31st Mar 2024 Audited	As at 31 March 2023 Restated
EQUITY SHARE CAPITAL		
Authorised:		
14,81,00,000 (31 March 2023: 14,81,00,000) equity shares of Rs.10 each	1,48,10,00,000	1,48,10,00,000
	1,48,10,00,000	1,48,10,00,000
Issued, subscribed and fully paid up		
Equity shares		
11,23,35,916 (31 March 2023: 14,80,50,216) equity shares of Rs.10 each	1,12,33,59,160	1,48,05,02,160
Total Equity	1,12,33,59,160	1,48,05,02,160

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

Equity shares

Particulars	31-Mar-24		31-Mar-23	
	Number of shares	Amount	Number of shares	Amount
Balance as at beginning of the year	14,80,50,216	1,48,05,02,160	14,80,50,216	1,48,05,02,160
Add:- Equity shares issued during the year	-	-	-	-
Less:- Equity shares bought back during the year	3,57,14,300	35,71,43,000	-	-
Balance as at end of the year	11,23,35,916	1,12,33,59,160	14,80,50,216	1,48,05,02,160

Terms and rights attached to equity shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. Any dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Dividend declared and paid would be in Indian rupees.

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

During the year ended March 31, 2024, the Board of Directors of the Company approved buy back of 24.12% of the equity shares which has been given effect to

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

Particulars	31-Mar-24		31-Mar-23	
	Number of shares	Amount	Number of shares	Amount
Xander Capital Management Pte Ltd., the holding company	11,17,21,806	1,11,72,18,060	14,72,40,866	1,47,24,08,660
Shares of Rs. 10 each fully paid.				

Particulars	31-Mar-24		31-Mar-23	
	Number of Shares	% holding	Number of Shares	% holding
Xander Credit Pte Ltd., the holding company	11,17,21,806	99.45%	14,72,40,866	99.45%

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

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



Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March, 2024
(All amounts are in Indian Rupees unless otherwise stated)

Note 19: Other equity

Particulars	As at 31st Mar 2024 Audited	As at 31 March 2023 Restated
Statutory reserve (As required by section 45-IC of the Reserve Bank of India Act, 1934)	80,40,71,501	80,40,71,501
Securities premium account	76,81,38,607	1,51,81,38,907
Retained earnings (surplus/deficit in profit & loss account)	(13,61,92,922)	15,89,28,119
Other Comprehensive Income	(25,11,207)	1,31,682
Employees Stock Option Plan (ESOP) Reserve	34,26,739	84,21,983
Capital Redemption Reserve	35,71,43,000	-
Total	1,79,40,75,718	2,48,96,92,192

Note 19.1: Nature and purpose of reserves

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

Securities premium reserve: Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

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

Employees Stock Option Plan (ESOP) Reserve: The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration. Refer to Note 32 for further details of these plans.

Capital Redemption Reserve: The reserve has been created by the Company during the year on account of buy back of equity shares done during the year. An amount equivalent to face value of the equity shares bought back has been transferred from Reserves to Capital Redemption Reserve

Note 19.2: Other equity movement

Particulars	As at 31st Mar 2024 Audited	As at 31 March 2023 Restated
Statutory reserve (As required by section 45-IC of the Reserve Bank of India Act, 1934)		
Balance as at the beginning of the year	80,40,71,501	79,10,63,501
Additions during the year - Transfer from Surplus from Statement of Profit and Loss	-	1,30,08,000
Balance as at the end of the year	80,40,71,501	80,40,71,501
Securities premium account		
Balance as at the beginning of the year	1,51,81,38,907	1,51,81,38,907
Add: Premium on shares issued during the year	-	-
Less: Adjustment on account of Buy Back	39,28,57,300	-
Less: Transfer to Capital Redemption Reserve	35,71,43,000	-
Balance as at the end of the year	76,81,38,607	1,51,81,38,907
Retained earnings (surplus/deficit in profit & loss account)		
Balance as at the beginning of the year	15,89,28,119	54,02,11,316
Add: Profit for the year	(29,51,21,041)	6,50,38,178
Less : Appropriations		
Transfer to Statutory Reserve	-	1,30,08,000
Dividend paid during the year	-	-
- Dividend	-	43,33,13,375
Balance as at the end of the year	(13,61,92,922)	15,89,28,119
Other Comprehensive Income		
Balance as at the beginning of the year	1,31,682	10,87,414
Add: Movement during the year	-	-
Actuarial gain/(loss) on gratuity valuation	(26,42,889)	(9,55,732)
Balance as at the end of the year	(25,11,207)	1,31,682
Employees Stock Option Plan (ESOP) Reserve		
Balance as at the beginning of the year	84,21,983	21,30,256
Add: Provision for the year	(49,95,244)	62,91,727
Balance as at the end of the year	34,26,739	84,21,983
Capital Redemption Reserve		
Balance as at the beginning of the year	-	-
Add: Transferred from Securities Premium	35,71,43,000	-
Balance as at the end of the year	35,71,43,000	-
Total	1,79,40,75,718	2,48,96,92,192



Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March, 2024
(All amounts are in Indian Rupees unless otherwise stated)

Note 20: Interest income

Particulars	Year ended 31st March 2024 Audited	Year ended 31 March 2023 Restated
Interest income on financial assets measured at amortised cost		
Interest Income	6,32,30,178	41,31,65,264
Other interest income-unwinding of security deposit	6,74,231	6,36,193
Interest on NPA	79,450	-
Total	6,39,83,859	41,38,01,457

Note 21: Other operating income

Particulars	Year ended 31st March 2024 Audited	Year ended 31 March 2023 Restated
Prepayment Penalty	24,46,587	-
Income on Security Receipts	1,34,90,830	1,13,99,601
Total	1,59,37,417	1,13,99,601

Note 22: Net gain on fair value changes

Particulars	Year ended 31st March 2024 Audited	Year ended 31 March 2023 Restated
Net gain/ (loss) on financial instruments at fair value through profit or loss		
On investment portfolio		
- Mutual Funds		
- Other items	97,76,445	1,89,78,575
Fair Value changes:		
- Realised	97,76,445	1,89,78,575
- Unrealised	-	-
Total	97,76,445	1,89,78,575

Note 23: Other income

Particulars	Year ended 31st March 2024 Audited	Year ended 31 March 2023 Restated
Interest on fixed deposits	5,24,78,981	1,51,96,492
Business support Services	12,80,182	72,33,502
Interest on Income Tax Refund	30,94,746	-
Dividend income	-	1,60,80,000
Other miscellaneous income	-	59,210
Total	5,68,53,909	3,85,69,204

Note 24: Finance cost

Particulars	Year ended 31st March 2024 Audited	Year ended 31 March 2023 Restated
Interest expense on financial liabilities measured at amortised cost		
Interest		
- On term loans from banks	-	35,34,511
- On working capital demand loans from bank	-	17,70,000
- On non-convertible debentures	-	3,03,36,223
Other borrowing cost		
Other borrowing costs	-	5,90,416
Bank charges	15,887	2,03,003
Interest on lease liability	17,86,477	33,00,209
Total	18,02,364	3,97,34,362



Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March, 2024
(All amounts are in Indian Rupees unless otherwise stated)

Note 25: Net loss on fair value changes

Particulars	Year ended 31st March 2024 Audited	Year ended 31 March 2023 Restated
Net gain/ (loss) on financial instruments at fair value through profit or loss		
On investment portfolio		
- Other items	25,07,52,323	15,55,72,537
Fair Value changes:		
- Realised	(5,94,36,141)	(5,43,47,458)
- Unrealised	31,01,88,464	20,99,19,995
Total	25,07,52,323	15,55,72,537

Note 26: Impairment of financial assets

Particulars	Year ended 31st March 2024 Audited	Year ended 31 March 2023 Restated
Impairment on Financial instruments measured at Amortised cost		
Provision for expected credit losses	5,68,74,398	(92,52,325)
Reversal of interest on Non Performing Asset	-	1,94,34,477
Total	5,68,74,398	1,01,82,152

Note 27: Employee benefit expenses

Particulars	Year ended 31st March 2024 Audited	Year ended 31 March 2023 Restated
Salaries and wages	3,36,88,222	5,40,47,601
Contributions to provident and other funds	5,53,856	11,12,969
Employees stock option plan	-	62,91,727
Gratuity	15,41,837	10,24,055
Leave encashment expenses	(2,07,719)	36,146
Staff welfare expenses	9,70,879	9,60,392
Total	3,65,47,075	6,34,72,890

Note 28: Depreciation, amortization and impairment

Particulars	Year ended 31st March 2024 Audited	Year ended 31 March 2023 Restated
Depreciation of tangible and intangible assets	1,75,10,731	1,92,03,112
	1,75,10,731	1,92,03,112

Note 29: Other expenses

Particulars	Year ended 31st March 2024 Audited	Year ended 31 March 2023 Restated
Rates and taxes	7,16,220	2,79,045
Rent	1,74,55,858	1,02,95,317
Electricity	4,97,028	5,09,162
Traveling and conveyance	12,27,332	69,71,731
Communication	7,15,288	10,84,262
Insurance	28,62,562	41,79,211
Office maintenance	14,61,923	15,42,616
Legal and professional fee	10,11,95,032	7,84,66,190
Recruitment expense	-	2,72,500
Loss on sale of property, plant and equipment	5,21,681	7,722
Auditors' remuneration *	14,10,775	14,31,000
Corporate social responsibility	46,26,001	64,36,531
Fee and subscription	20,90,257	32,39,338
Miscellaneous expenses	28,96,418	20,66,561
Total	13,76,76,375	11,67,81,186



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Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March, 2024
(All amounts are in Indian Rupees unless otherwise stated)

Auditors' Remuneration		
Particulars	Year ended 31st March 2024 Audited	Year ended 31 March 2023 Restated
As auditors		
Audit fees	10,69,275	10,60,500
Limited review	-	-
Tax audit fees	1,71,000	1,57,500
In other capacity		
Certification fees	1,70,500	2,13,000
Reimbursement of expenses	-	-
	14,10,775	14,31,000
Details of CSR expenditure:		
Particulars	Year ended 31st March 2024 Audited	Year ended 31 March 2023 Restated
a) Amount required to be spent by the Company during the year	46,26,738	64,36,531
b) Amount spent during the year	46,26,001	64,36,531
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	46,26,001	64,36,531
Total	46,26,001	64,36,531



Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March, 2024
(All amounts are in Indian Rupees unless otherwise stated)

Note 30: Income tax

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

Particulars	Year ended 31st March 2024 Audited	Year ended 31 March 2023 Restated
Current tax	-	4,40,00,000
Adjustment in respect of current income tax of prior years	1,42,50,434	-
Deferred tax relating to origination and reversal of temporary differences	(2,37,41,029)	(3,12,35,580)
Total tax charge	(5,94,90,595)	1,27,64,420

Reconciliation of the total tax charge:

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

Particulars	Year ended 31st March 2024 Audited	Year ended 31 March 2023 Restated
Accounting profit before tax	(35,46,11,636)	7,78,02,599
Statutory income tax rate	25.17%	25.17%
Expected income tax expense	(8,92,00,000)	1,96,00,000
Difference in tax rate due to		
Effect of non-deductible expenses	12,00,000	16,00,000
Effect of non-taxable income	-	-
Others	2,85,09,405	(84,35,580)
Total Tax expense	(5,94,90,595)	1,27,64,420
Effective tax rate	16.78%	16.41%

Deferred tax

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

Particulars	Deferred tax assets	Deferred tax liabilities	Income statement	OCI
	31-Mar-24	31-Mar-24	2023-24	2023-24
Depreciation	16,20,196	-	22,99,632	-
Impairment allowance for financial assets	3,53,82,339	-	1,43,14,149	-
Financial instruments measured at EIR	-	-	(15,49,641)	-
Remeasurement gain / (loss) on defined benefit plan	26,10,244	-	3,45,700	8,88,874
Other Provisions	10,42,521	-	(13,09,482)	-
Other temporary differences	14,54,88,635	4,20,003	5,96,40,671	-
Total	18,61,33,935	4,20,003	7,37,41,029	8,88,874

Particulars	Deferred tax assets	Deferred tax liabilities	Income statement	OCI
	31-Mar-23	31-Mar-23	2022-23	2022-23
Depreciation	-	-	40,29,970	-
Impairment allowance for financial assets	2,10,68,190	-	(23,28,625)	-
Financial instruments measured at EIR	15,49,641	-	(47,93,988)	-
Remeasurement gain / (loss) on defined benefit plan	13,65,670	-	1,56,094	3,21,438
Other Provisions	23,52,003	-	15,92,599	-
Other temporary differences	8,74,48,164	4,00,007	3,25,79,530	-
Total	11,37,83,668	26,99,639	3,12,35,580	3,21,438



Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March, 2024
(All amounts are in Indian Rupees unless otherwise stated)

Note 31: Earnings per share

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

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

Particulars		Year ended	Year ended
		31st March 2024	31 March 2023
		Audited	Restated
Profit attributable to equity shareholders (A)	Rupees	(29,51,21,041)	6,50,38,178
Nominal value of equity share	Rs. / Share	10	10
Weighted average number of ordinary shares for basic earnings per share			
Opening Balance of equity shares (B1)	Nos	14,80,50,216	14,80,50,216
Issued during the year (B2)	Nos	-	-
Buy back of shares during the year (B3)	Nos	3,57,14,300	-
Weighted average no. of equity shares issued during the year (B4)	Nos	-	-
Weighted average no. of equity shares bought back during the year (B5)	Nos	3,27,38,108	-
Total weighted no. of equity shares for basic EPS (B) = (B1+B4-B5)	Nos	11,53,12,108	14,80,50,216
Basic EPS (A/B)	Rs. / Share	(2.56)	0.44
Total weighted no. of equity shares for diluted EPS (C)	Nos	11,53,12,108	14,80,50,216
Diluted EPS (A/C)	Rs. / Share	(2.56)	0.44



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Xander Finance Private Limited**Notes to the standalone financial statements as at 31st March, 2024****(All amounts are in Indian Rupees unless otherwise stated)****Note 32: Employee Stock Option Plan (ESOP)**

The Company provides share-based employee benefits to the employees of the Company. During the year ended March 31, 2024, an employee stock option plan (ESOP) was in existence. The relevant details of the scheme and the grant are as below.

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

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

Particulars	31-Mar-24		31-Mar-23	
	Average exercise price	Number of options	Average exercise price	Number of options
Options outstanding at the beginning of the year	39.16	2,15,056	40.57	2,19,787
Granted during the year	-	-	-	-
Forfeited during the year	-	-	NA	4,731
Exercised during the year	21.00	51,878	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	21.00	1,63,178	39.16	2,15,056
Exercisable at the end of the year	-	-	-	-



Xander Finance Private Limited

Notes to the standalone financial statements as at 31st March, 2024

(All amounts are in Indian Rupees unless otherwise stated)

Note 33: Transfer of financial assets

There has not been any transfer of financial assets during the current reporting year and previous year. The Company had transferred few accounts in the past financial years to an Asset Reconstruction Company (ARC) on a without recourse basis. These loans were secured and were classified as credit impaired on the date of assignment. The Company received the entire purchase consideration in cash from the ARC and has subscribed to the Security Receipts to the extent of 85%.

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

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

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

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



Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March, 2024
(All amounts are in Indian Rupees unless otherwise stated)

Note 34: Retirement benefit plan

Defined contribution plan

In accordance with the Indian regulations, employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which, both the employee and the Company contribute monthly at a determined rate. These contributions are made to a recognised provident fund. The employee contributes 12% of his/her basic salary and the Company contributes an equal amount. The Company recognised Rs.5,53,856 (Previous year Rs.11,12,969) for Provident Fund contribution in the Statement of Profit and Loss.

Defined benefit plan

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

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

A. Amount recognised in the balance sheet	31-Mar-24	31-Mar-23
Present value of defined benefit obligation	1,03,31,548	54,26,216
Fair value of plan assets	-	-
Asset/(liability) recognized in the balance sheet	1,03,31,548	54,26,216
B. Change in projected benefit obligation		
	31-Mar-24	31-Mar-23
Opening defined benefit obligation	54,26,216	35,28,837
Current service cost	11,58,811	7,94,498
Interest cost	3,83,027	2,29,557
Past Service Cost	-	-
Benefits paid	(1,68,268)	(4,03,846.00)
Actuarial loss / (gain) on obligation	35,31,762	12,77,170
Closing defined benefit obligation	1,03,31,548	54,26,216
C. Change in plan assets		
	31-Mar-24	31-Mar-23
Opening fair value of plan assets	-	-
Return on plan assets	-	-
Actuarial gain/(loss)	-	-
Benefits paid	-	-
Employer direct benefit payments	1,68,268	4,03,846
Benefit payments from employer	(1,68,268)	(4,03,846)
Closing fair value of plan assets	-	-
D. Amount recognised in the statement of profit and loss		
	31-Mar-24	31-Mar-23
Current service cost	11,58,811	7,94,498
Interest cost on benefit obligation	3,83,027	2,29,557
Past Service Cost	-	-
Expenses recognised in the statement of profit and loss	15,41,838	10,24,055



Xander Finance Private Limited
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E. Amount recognised in other comprehensive income	31-Mar-24	31-Mar-23
Actuarial (gains)/losses		
- Effect of changes in demographic assumptions	-	-
- Effect of changes in financial assumptions	38,19,704	14,20,560
- Effect of experience adjustments	(2,87,942)	(1,43,390)
Total remeasurements included in other comprehensive income	35,31,762	12,77,170

F. Expected cash flows for following year	31-Mar-24	31-Mar-23
Expected contributions / Additional Provision Next Year	11,58,811	7,94,498
Expected total benefit payments		
Year 1	5,37,689	3,39,418
Year 2	5,56,286	3,82,398
Year 3	5,75,562	3,78,475
Year 4	6,16,963	4,28,017
Year 5	6,41,711	4,59,792
Next 5 years	35,69,101	22,47,925

G. Assumptions used	31-Mar-24	31-Mar-23
Discount rate	6.97%	7.17%
Attrition rate	10%	10%
Expected rate of return on assets	NA	NA

H. Sensitivity Analysis	31-Mar-24		31-Mar-23	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	93,04,115	1,15,34,478	49,50,920	59,78,481
Salary increase rate (1% movement)	1,13,97,724	93,94,282	59,35,546	49,77,902
Attrition rate (1% movement)	98,29,641	1,09,09,081	52,93,686	55,74,112



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Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March, 2024
(All amounts are in Indian Rupees unless otherwise stated)

Note 35: Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behaviour as used for estimating the Expected interest rate (EIR). Issued debt reflect the contractual coupon amortisations.

Particulars	31-Mar-24			31-Mar-23		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	2,79,54,070	-	2,79,54,070	76,66,90,525	-	76,66,90,525
Bank balance other than cash and cash equivalents	1,01,21,46,137	50,45,636	1,01,71,91,773	22,37,32,246	10,00,16,644	32,37,48,890
Loans	-	18,36,76,551	18,36,76,551	54,53,24,220	20,85,84,264	75,39,08,484
Investments	82,37,04,956	33,92,79,501	1,16,29,84,457	97,26,28,497	54,33,45,984	1,51,59,74,481
Other financial assets	1,44,47,928	7,53,177	1,52,01,105	95,09,269	1,08,27,804	2,03,37,073
Non-financial Assets						
Current tax assets (net)	-	19,92,12,165	19,92,12,165	-	22,72,87,908	22,72,87,908
Deferred tax assets (net)	-	18,57,13,932	18,57,13,932	-	11,10,84,029	11,10,84,029
Property, plant and equipment	-	1,06,87,689	1,06,87,689	-	2,85,08,961	2,85,08,961
Other intangible assets	-	3,92,281	3,92,281	-	5,95,245	5,95,245
Other non-financial assets	20,41,07,008	-	20,41,07,008	27,82,88,979	834	27,82,89,813
Total assets	2,08,23,60,099	92,47,60,932	3,00,71,21,031	2,79,61,73,736	1,23,02,51,673	4,02,64,25,409
Liabilities						
Financial liabilities						
Trade payables	4,91,93,474	-	4,91,93,474	1,37,77,270	-	1,37,77,270
(i) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Other financial liabilities	1,29,49,862	-	1,29,49,862	2,09,24,013	1,06,00,374	3,15,24,387
Non-financial liabilities						
Current tax liabilities (net)	-	7,24,674	7,24,674	-	7,24,674	7,24,674
Provisions	12,18,163	98,28,894	1,10,47,057	12,39,938	51,09,506	63,49,444
Other non-financial liabilities	1,57,71,086	-	1,57,71,086	38,55,282	-	38,55,282
Total liabilities	7,91,32,585	1,05,53,568	8,96,86,153	3,97,96,503	1,64,34,554	5,62,31,057
Net	2,00,32,27,514	91,42,07,364	2,91,74,34,878	2,75,63,77,233	1,21,38,17,119	3,97,01,94,352



Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March, 2024
 (All amounts are in Indian Rupees unless otherwise stated)

Note 36: Change in liabilities arising from financing activities

Changes in liabilities arising from financing activities

Particulars	As at 31 March, 2023	Cash Flows	Other	As at 31 March 2024
Debt Securities	-	-	-	-
Borrowings other than debt securities	-	-	-	-
Total	-	-	-	-

Particulars	As at 31 March, 2022	Cash Flows	Other	As at 31 March 2023
Debt Securities	80,40,38,814	(75,00,00,000)	(5,40,38,814)	-
Borrowings other than debt securities	49,90,42,066	(49,91,66,613)	1,24,547	-
Total	1,30,30,80,879	(1,24,91,66,613)	(5,39,14,267)	-



Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March, 2024
(All amounts are in Indian Rupees unless otherwise stated)

Note 37: Contingent liabilities, commitments

(A) Contingent Liabilities

Particulars	As at 31st Mar 2024 Audited	As at 31 March 2023 Restated
Contingent Liabilities		
- Income tax matter in dispute	2,87,15,130	2,65,31,683
- Service tax matter in dispute	24,37,200	24,37,200
- GST matter in dispute	45,52,228	41,40,408
	3,57,04,588	3,31,09,291

The Company does not expect any significant liabilities to materialise

(B) Commitments

- Estimated amount of contracts (net of advance) remaining to be executed on capital account and not provided for as at 31 March 2024 is Rs. Nil (31 March 2023 - Rs. Nil)
- Other commitments pertaining to undrawn committed credits as at 31 March 2024 is Rs. Nil (31 March, 2023 - Rs. Nil)



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Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March, 2024
 (All amounts are in Indian Rupees unless otherwise stated)

Note 38: Related party disclosures

a) List of related parties

Holding Company

Xander Capital Management Pte Limited, Singapore (the Holding Company, formerly known as "Xander Credit Pte Limited")

Companies where the directors have significant influence

Xander Advisors (India) Private Limited
 Virtuous Retail Promeris Services LLP
 VR Dakshin Private Limited

Subsidiary Company

Balcester Ventures Private Limited (formerly known as Yun Home Finance Private Limited)

Key managerial personnel during the year:

Mr. Rohan Sikri, Chairman and Director
 Mr. Rakesh Joshi, Independent Director
 Mr. Tarin Chinas, Non Executive Director
 Mr. Varun Gopinath, Executive Director (till May 31, 2023)
 Mr. Varun Gopinath, Non Executive Director (from June 01, 2023 to July 17, 2023)
 Ms. Hinal Shah, Company Secretary (till October 22, 2023)
 Ms. Purnima Palwal, Company Secretary (w.e.f. December 01, 2022 till April 05, 2023)
 Ms. Mansi Gandhi, Company Secretary (w.e.f. April 28, 2023)

b) Transactions with related parties

Particulars	31-Mar-24	31-Mar-23
Holding company		
Payment of interim dividend	-	43,09,44,567
Buy back of equity shares	74,59,00,260	-
Subsidiary Company		
Receipt of dividend income	-	(1,60,80,000)
Companies where the directors have significant influence		
Xander Advisors (India) Private Limited		
Cost incurred/recovered towards reimbursement of administrative expenses	11,27,440	(27,14,000)
Virtuous Retail Promeris Services LLP		
Recovery of reimbursement of rent expenses	-	11,32,27,380 (a)
Recovery of reimbursement of administrative expenses	-	(3,14,361,500)
VR Dakshin Private Limited		
Cost incurred towards rent expenses	-	5,43,894 (b)
Key Managerial Personnel		
Remuneration to Key Managerial Personnel during the year*		
Mr. Rohan Sikri		
Payment of interim dividend	-	11,45,551
Buy back of equity shares	19,79,271	-
Mr. Rakesh Joshi		
- Sitting fees	20,01,000	14,00,000
- Consultancy Fees	5,00,000	11,00,000
Mr. Tarin Chinas		
- Consultancy Fees	12,80,000	4,40,000
- Reimbursements	-	1,29,016
Mr. Varun Gopinath		
- Salaries & wages	21,13,066	87,95,069
- Post employment benefits	3,600	21,600
Ms. Hinal Shah		
- Salaries & wages	-	6,43,008
- Post employment benefits	-	-
Ms. Purnima Palwal		
- Salaries & wages	10,534	2,52,800 (b)
- Post employment benefits	300	7,200 (b)
Ms. Mansi Gandhi		
- Salaries & wages	4,79,520	-
- Post employment benefits	19,980	-

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

c) Balance with related parties

Particulars	31-Mar-24	31-Mar-23
Subsidiary company		
Investment in subsidiary	12,00,00,000	12,00,00,000
Companies where the directors have significant influence		
Xander Advisors (India) Private Limited	-	(29,51,120)



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Xander Finance Private Limited

Notes to the standalone financial statements as at 31st March, 2024

(All amounts are in Indian Rupees unless otherwise stated)

Note 39: Capital

Capital Management

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

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

For details about Capital Risk Adequacy Ratio (CRAR) of the Company as required to be disclosed under RBI Master Directions - Refer Note 44 (a)

Note 40: Events after reporting date

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



Xaader Finance Private Limited
Notes to the standalone financial statements as at 31st March, 2024
(All amounts are in Indian Rupees unless otherwise stated)

Note 41: Leases

Company as a Lessee

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

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

Particulars	Buildings (leased)	Total
As at March 31, 2023	2,52,62,187	2,52,62,187
Addition	-	-
Depreciation	1,68,41,457	1,68,41,457
As at March 31, 2024	84,20,730	84,20,730

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

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	3,00,66,299	4,71,03,315
Addition	-	-
Accretion of interest	17,86,477	33,00,209
Payments	2,12,52,402	2,03,37,225
Closing Balance	1,06,00,374	3,00,66,299

The Maturity analysis of lease liabilities is as under:

Particulars	As at March 31, 2024			As at March 31, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Lease Liabilities	1,06,00,374	-	1,06,00,374	1,94,65,925	1,06,00,374	3,00,66,299

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

Particulars	As at March 31, 2024	As at March 31, 2023
Depreciation expense of right-of-use assets	1,68,41,457	1,68,41,457
Interest expense on lease liabilities	17,86,477	33,00,209
Total amount recognised in profit or loss	1,86,27,934	2,01,41,667



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Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March, 2024
 (All amounts are in Indian Rupees unless otherwise stated)

Note 42: Fair value measurement

42.1 Valuation principle

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

42.2 Fair value hierarchy of assets and liabilities

Ind AS 107 'Financial Instrument - Disclosure' requires classification of the valuation method of financial instruments measured at fair value in the Balance Sheet, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurements). The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair-value-hierarchy under Ind AS 107 are described below.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and place limited reliance on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for Security Receipts included in level 3.

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

31 March 2024

Assets measured at fair value	Level-1	Level-2	Level-3	Total
Investments				
Security Receipts	-	-	1,04,29,84,457	1,04,29,84,457
Asset acquired in satisfaction of loans				
Quoted equity shares	-	-	-	-
Total financial assets measured at fair value	-	-	1,04,29,84,457	1,04,29,84,457

31 March 2023

Assets measured at fair value	Level-1	Level-2	Level-3	Total
Investments				
Security Receipts	-	-	1,39,59,74,481	1,39,59,74,481
Total financial assets measured at fair value	-	-	1,39,59,74,481	1,39,59,74,481

42.3 Valuation techniques

Security Receipts

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

42.4 Movements in Level 3 financial instruments measured at fair value

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

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

31-Mar-24	As at 1 April 2023	Purchase	Sales	Transfers into Level 3	Transfer from Level 3	At 31 March 2024	Unrealised gains and losses related to balances held at the end of the period
Investments							
Security Receipts	1,71,23,33,753	-	10,22,37,791	-	-	1,61,00,96,052	(56,71,11,595)
Total	1,71,23,33,753	-	10,22,37,791	-	-	1,61,00,96,052	(56,71,11,595)

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

31-Mar-23	As at 1 April 2022	Purchase	Sales	Transfers into Level 3	Transfer from Level 3	At 31 March 2023	Unrealised gains and losses related to balances held at the end of the period
Investments							
Security Receipts	2,02,55,28,662	-	31,31,94,009	-	-	1,71,23,33,753	(31,63,59,272)
Total	2,02,55,28,662	-	31,31,94,009	-	-	1,71,23,33,753	(31,63,59,272)



Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March, 2024
(All amounts are in Indian Rupees unless otherwise stated)

Note 44: Additional Disclosures required by the Reserve Bank of India ('RBI')

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

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

a. Capital funds, risk assets/ exposure and risk asset ratio (CRAR) as at 31 March 2024

Sr.No	Item	31-Mar-24	31-Mar-23
1	CRAR (%)	171.16%	147.70%
2	CRAR - Tier I capital (%)	171.16%	147.57%
3	CRAR - Tier II Capital (%)	0.00%	0.13%
4	Amount of subordinated debt raised as Tier-II capital	-	-
5	Amount raised by issued of Perpetual Debt Instruments	-	-

b. Investments

Sr.No	Particulars	31-Mar-24	31-Mar-23
1	Value of investments		
	(i) Gross value of investments		
	(a) in India	116,29,84,457	151,59,74,481
	(a) outside India	-	-
	(ii) Provision for depreciation		
	(a) in India	-	-
	(a) outside India	-	-
	(iii) Net value of investments		
	(a) in India	116,29,84,457	151,59,74,481
	(a) outside India	-	-
2	Movement of provisions held towards depreciation on investments		
	(i) Opening balance	-	-
	(ii) Add : Provisions made during the year	-	-
	(iii) Less : Write-off/ write-back of excess provision during the year	-	-
	(i) Closing balance	-	-

c. Derivatives

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

d. Disclosures relating to Securitisation

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



Xander Finance Private Limited

Notes to the standalone financial statements as at 31st March, 2024

(All amounts are in Indian Rupees unless otherwise stated)

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

Sr.No	Particulars	31-Mar-24	31-Mar-23
(i)	No.of accounts (Borrowers)	-	-
(ii)	Aggregate value (net of provisions) of accounts sold	-	-
(iii)	Aggregate consideration	-	-
(iv)	Aggregate consideration realised in respect of accounts transferred in earlier years	-	-
(v)	Aggregate gain/loss over net book value	-	-

f. Details of Assignment transactions

The Company has not undertaken any assignment transactions in the current and previous year.

g. Details of non-performing financial assets purchase / sold

The Company has not purchased /sold any non-performing financial assets in the current and previous year.



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h. Exposure

i. Exposure to Real Estate Sector

		(Amount in Rs. crores)	
Sr.No	Category	31-Mar-24	31-Mar-23
a)	Direct exposure		
(i)	Residential Mortgages - Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	-	-
(ii)	Commercial Real Estate - Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development & construction etc.) Exposure would also include non-fund based (NFB) limits:	18.37	71.00
(iii)	Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
1	Residential	-	-
2	Commercial Real Estate	-	-
	Total Exposure to Real Estate Sector	18.37	71.00

ii. Exposure to Capital Market

		(Amount in Rs. crores)	
	Particulars	31-Mar-24	31-Mar-23
(i)	direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	-	-
(ii)	advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii)	advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv)	advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-
(v)	secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi)	loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii)	bridge loans to companies against expected equity flows / issues;	-	-
(viii)	all exposures to Venture Capital Funds (both registered and unregistered)	-	-
(ix)	others	-	-
	Total Exposure to Capital Market	-	-

i. Details of financing of parent company products

None

i. Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC

The Company has not lent/ invested/ lent and invested in Single Borrower / Single Group of Borrowers in excess of limits prescribed by the RBI

k. Unsecured Advances

The Company has not given any unsecured advances against the rights, licenses, authorisations etc

l. Registration obtained from other financial sector regulators

The Company is not registered with any financial sector regulators except with Reserve Bank of India.

iii. Disclosure of Penalties imposed by RBI and other regulators

No penalties were imposed by the RBI and other regulators during current and previous year.



Xander Finance Private Limited
Notes to the standalone financial statements as at 31st March, 2024
(All amounts are in Indian Rupees unless otherwise stated)

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

		(Amount in Rs. crores)	
Sr.No.	Particulars	31-Mar-24	31-Mar-23
(i)	Provision made towards Income tax	-	4.40
(ii)	Provision for bonus	-	-
(iii)	Provision for Employee Stock Option Plan (ESOP)	-	0.63
(iv)	Provision for gratuity	0.15	0.10
(v)	Provision for leave encashment	(0.02)	0.00
(vi)	Provision for expected credit losses (excluding provision towards NPA)	(0.34)	(7.18)
(vii)	Provision towards NPA	6.03	6.25
(viii)	Provisions for depreciation on Investment	-	-

o Draw Down from Reserves

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

p Concentration of Advances, Exposures and NPAs

i) Concentration of Advances

		(Amount in Rs. crores)	
Particulars	31-Mar-24	31-Mar-23	
Total Advances to twenty largest borrowers	18.37	75.39	
Percentage of Advances to twenty largest borrowers to Total Advances	100%	100%	

ii) Concentration of Exposures

		(Amount in Rs. crores)	
Particulars	31-Mar-24	31-Mar-23	
Total Exposures to twenty largest borrowers / customers	18.37	75.39	
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure on borrowers / customers	100%	100%	

iii) Concentration of NPAs

		(Amount in Rs. crores)	
Particulars	31-Mar-24	31-Mar-23	
Total of Exposures to top four NPA accounts	18.37	27.02	

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

Particulars	31-Mar-24	31-Mar-23
Agriculture & allied activities	-	-
MSME	-	-
Corporate borrowers	18.37	27.02
Services	-	-
Unsecured personal loans	-	-
Auto loans	-	-
Other personal loans	-	-

v) Movement of NPAs

		(Amount in Rs. crores)	
Particulars	31-Mar-24	31-Mar-23	
(i) Net NPAs to Net Advances (%)	-	-	
(ii) Movement of NPAs (Gross):			
(a) Opening balance	35.05	17.35	
(b) Additions during the year	-	30.64	
(c) Reductions during the year	2.62	12.94	
(d) Closing balance	32.43	35.05	
(iii) Movement of Net NPAs			
(a) Opening balance	27.02	15.58	
(b) Additions during the year	-	29.93	
(c) Reductions during the year	8.65	18.48	
(d) Closing balance	18.37	27.02	
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)			
(a) Opening balance	8.03	1.78	
(b) Provisions made during the year	6.03	6.25	
(c) Write-off / write-back of excess provisions	-	-	
(d) Closing balance	14.06	8.03	



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

Asset Classification as per RBI Norms	Asset Classification as per Ind AS 109	Gross carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5) = (3) - (4)	(6)	(7) = (4) - (6)
Performing Assets						
Standard	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
Subtotal		-	-	-	-	-
Non-Performing Assets (NPA)						
Substandard	Stage 3	-	-	-	-	-
Doubtful - up to 1 year	Stage 3	25,46,97,858	11,71,61,016	13,75,36,842	5,09,39,572	6,62,21,444
1 to 3 years	Stage 3	6,95,63,319	2,34,23,610	4,61,39,709	2,08,68,996	25,54,615
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		32,42,61,177	14,05,84,626	18,36,76,551	7,18,08,567	6,87,76,059
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		-	-	-	-	-
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	32,42,61,177	14,05,84,626	18,36,76,551	7,18,08,567	6,87,76,059
	Total	32,42,61,177	14,05,84,626	18,36,76,551	7,18,08,567	6,87,76,059

9. **Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)**

The Company has not invested in overseas assets in the current and previous year. There are no outstanding investments from earlier years.

7. **Off-balance Sheet SPVs sponsored by the Company**

The Company has no off-balance sheet SPV in the current and previous year.

8. **Disclosure of Complaints**

The Company has not received any complaints in the current and previous year.



Xander Finance Private Limited

Notes to the standalone financial statements as at 31st March, 2024

(All amounts are in Indian Rupees unless otherwise stated)

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

The Company did not have any borrowings during the year and does not have any external ratings by credit rating agencies

u Statement on Asset Liability Management

Maturity pattern of certain items of assets and liabilities as at 31 March 2024

Sr.No	Item	Amount in ₹, Crores														
		0-7 days	8-14 days	15 days to 1 month	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total				
1	Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Intergovernmental	62.05	-	-	0.80	0.43	1.28	17.82	11.73	19.20	18.37	12.00	-	-	-	116.57
4	Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Foreign Currency assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Foreign Currency liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

v Fraud Reporting

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

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



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Note 45: Public disclosure on Liquidity Risk Management of the Company

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

(Amount in Rs. crores)

Sr. Nu.	Number of Significant Counterparties	Amount	% of total deposits	% of total borrowings
1	0	-	0%	100%

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

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

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

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

(Amount in Rs. crores)

Type	Sanctioned	Drawn	Outstanding	% of total borrowings

(iv) Funding concentration based on significant instrument/product

(Amount in Rs. crores)

Name of the Instrument	Amount	% of total borrowings
	0.00	

A "significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the NBFC-NDSIs, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs

(v) Stock Ratios:

(a) Commercial papers as a % of total public funds, total liabilities and total assets

The Company has not raised any funds through issuance of Commercial Papers (CPs) and hence this disclosure is not applicable.

(b) Non-convertible debentures (original maturity of less than one year) as a % of total public funds, total liabilities and total assets

The Company does not have any Non-convertible debentures with original maturity of less than one year and hence this disclosure is not applicable

(c) Other short-term liabilities, if any as a % of total public funds, total liabilities and total assets

(Amount in Rs. crores)

Short term liabilities (Amount in Rs. Crores)	% of Total Liabilities	% of Total Assets	% of Public Funds
7.91	2.63%	2.63%	0.00%

The above stated 'Other short-term liabilities' do not include cash credit facilities.

(vi) Institutional set-up for liquidity risk management

The Company has a board approved Asset - Liability Management Policy which outlines various parameters for Liquidity Risk Management.



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Xander Finance Private Limited**Notes to the standalone financial statements as at 31st March, 2024****(All amounts are in Indian Rupees unless otherwise stated)****Note 46: Restatement of financial statements of FY 2022-23**

The Company has restated "Other Operating Income" in FY 2022-23 which was considered to be the redemption of Security receipts in the preceding audited financial statements of FY 2022-23. Basis clarification and final correspondence with ARC, the receipt has been disclosed as Interest Income on Security Receipts for the FY 2022-23 and accordingly the financial statements of FY 2022-23 have been restated to that effect.

The summary of reconciliation between the reported and restated financial statements is as below:

Statement of Profit and Loss

Particulars	Year Ended March 31, 2023	
	Reported	Restated
Other Operating Income	-	1,13,99,601
Net loss on fair value changes	15,08,39,632	15,55,72,537
Profit before tax	7,15,42,975	7,78,02,599
Current Tax	4,62,00,000	4,40,00,000
Deferred Tax	(3,00,44,403)	(3,12,35,580)
Profit for the year	5,53,87,378	6,50,38,178
Total comprehensive income for the year	5,44,31,646	6,40,82,447
Earning Per share (EPS) (in Rs.)		
Basic	0.37	0.44
Diluted	0.37	0.44

Balance Sheet

Particulars	As at March 31, 2023	
	Reported	Restated
Investments	1,51,31,34,739	1,51,59,74,481
Current tax assets (net)	22,26,05,873	22,72,87,908
Deferred tax assets (net)	10,98,92,852	11,10,84,029
Total Assets	4,01,77,12,455	4,02,64,25,409
Other Equity	2,48,00,41,392	2,48,96,92,192
Total Equity & Liabilities	4,01,77,12,455	4,02,64,25,409



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Xander Finance Private Limited

Notes to the standalone financial statements as at 31st March, 2024
(All amounts are in Indian Rupees unless otherwise stated)

Note 47: Earnings and expenditure in foreign currency (on accrual basis)

During the year, the Company has incurred foreign currency expenditure of Rs. 7,18,199 (Previous year Rs. 17,05,138). The Company did not have any foreign exchange earnings.

Note 48: Net dividend remitted in foreign exchange

Year of remittance (ended on)	March 31, 2024	March 31, 2023
Period to which it relates	1 April 2023 to 31 March 2024	1 April 2022 to 31 March 2023
Number of non-resident shareholders		1
Number of equity shares held on which dividend was due	-	14,72,40,866
Amount remitted (in USD)	-	46,87,010
Amount remitted (in INR)	-	38,78,50,110
Amount remitted is net of applicable withholding taxes		

Note 49: Segment information

The Company is primarily engaged in the business of financing and accordingly there are no separate reportable segments as per Ind AS 108 dealing with Operating segment.

Note 50: Dues payable to Micro, Small and Medium Enterprises

There are no amounts that need to be disclosed in accordance with the Micro Small and Medium Enterprise Development Act, 2006 (the 'MSMED') pertaining to micro or small enterprises, as no supplier has intimated the Company about its status as micro or small enterprises or its registration with the appropriate authority under MSMED.

Particulars	As at March 31, 2024	As at March 31, 2023
Principal and interest amount remaining unpaid	-	-
Interest due thereon remaining unpaid	-	-

Note 51:
The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Note 52:
The Board of Directors at its meeting held on 28th April, 2023 approved buy-back of equity shares amounting to INR 75 crores subject to approval of the members of the Company (Maximum buy-back size, excluding transaction costs and tax on buy-back) at a price of INR 21 per equity share (Maximum buy-back price). The buy-back was offered to the equity shareholders of the Company in proportion of the shares held by each shareholder.

Shareholders' approval was obtained on May 2, 2023

The said buy-back was made out of the Securities Premium account. The buyback of equity shares commenced on May 6, 2023 and was completed on May 12, 2023

Note 53:
The Company foresees that the business will require lesser capital as it plans to disburse loans of a lower ticket size along with syndication and advisory deals

Note 54:
Figures for the previous year have been regrouped, rearranged or reclassified, where necessary to conform to the current year's classification

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

per Ravi Guiral
Partner

Membership No. 514254



UDIN: 24514254BKESRF2937

Place: New Delhi
Date: June 25, 2024

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

Tariq Chinoy
Director
DIN No. 08830666

Mansi Gandhi
Company Secretary

Place: Mumbai
Date: June 25, 2024

Raish Jogi
Director
DIN No.: 03341036

Xander Finance Private Limited
Annexure to the standalone financial statements as at 31 March 2024

Schedule to the financial statements as required under Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016

Particulars	As at		As at	
	31 March 2024		31 March 2023	
Liabilities Side				
1. Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
(a) Debtfinances - Secured	-	-	-	-
Unsecured	-	-	-	-
(b) Other than falling within the meaning of public deposits	-	-	-	-
(b) Deferred Credits	-	-	-	-
(c) Term Loans	-	-	-	-
(d) Inter-corporate loans and borrowings	-	-	-	-
(e) Commercial Paper	-	-	-	-
(f) Other Loans (Cash Credit/ Working Capital Demand Loan Facilities)	-	-	-	-
Assets Side				
2. Break-up of Loans and Advances including bills receivables (other than those included in (A) below)	Amount Outstanding		Amount Outstanding	
(a) Secured	-		-	
(b) Unsecured	18,56,76,553		75,39,08,484	
3. Break up of Leased Assets and stock on hire and other assets counting towards AFC activities	-		-	
(a) Lease assets including lease rentals under sundry debtors	-		-	
(i) Financial lease	-		-	
(ii) Operating lease	-		-	
(b) Stock on hire including hire charges under sundry debtors	-		-	
(c) Assets on hire	-		-	
(d) Repossessed Assets	-		-	
(e) Other loans counting towards AFC activities	-		-	
(f) Loans where assets have been repossessed	-		-	
(g) Loans other than (a) & (b) above	-		-	



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Xander Finance Private Limited		Annexure to the standalone financial statements as at 31 March 2024	
Schedule to the financial statements as required under Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016			
	4.	Amount Outstanding	Amount Outstanding
	Break-up of Investments		
	Current Investments		
	1. Quoted		
	(a) Shares (a) Equity	-	-
	(b) Preference	-	-
	(b) Debentures and Bonds	-	-
	(c) Units of mutual funds	-	-
	(c) Government Securities	-	-
	(d) Others (please specify)	-	-
	2. Unquoted		
	(a) Shares (a) Equity	-	-
	(b) Preference	-	-
	(b) Debentures and Bonds	-	-
	(c) Units of mutual funds	-	-
	(c) Government Securities	-	-
	(d) Others (please specify)	-	-
	Long Term Investments		
	1. Quoted		
	(a) Shares (a) Equity	-	-
	(b) Preference	-	-
	(b) Debentures and Bonds	-	-
	(c) Units of mutual funds	-	-
	(c) Government Securities	-	-
	(d) Others (please specify)	-	-
	2. Unquoted		
	(a) Shares (a) Equity	12,00,00,000	12,00,00,000
	(b) Preference	-	-
	(b) Debentures and Bonds	-	-
	(c) Units of mutual funds	-	-
	(c) Government Securities	-	-
	(d) Others	1,04,29,84,457	1,39,59,74,481



Xander Finance Private Limited						
Annexure to the standalone financial statements as at 31 March 2024						
Schedule to the financial statements as required under Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016						
5) Borrower group-wise classification of assets financed as in (2) and (3) above						
Category	Amount net of provisions as at 31 March 2024			Amount net of provisions as at 31 March 2023		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties						
(a) Subsidiaries	-	-	-	-	-	-
(b) Companies in the same group	-	-	-	-	-	-
(c) Other related parties	-	-	-	-	-	-
Total	-	-	-	-	-	-
2. Other than related parties	18,36,76,551	-	18,36,76,551	75,39,08,484	-	75,39,08,484
Less: Provision for sub-standard assets	-	-	-	-	-	-
Total	18,36,76,551	-	18,36,76,551	75,39,08,484	-	75,39,08,484
Total	18,36,76,551	-	18,36,76,551	75,39,08,484	-	75,39,08,484
6) Investor group-wise classification of all investments (current and long term) in shares						
Category	As at 31 March 2024		As at 31 March 2023		Book Value (Net of Provisions)	
	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)		
1. Related Parties						
(a) Subsidiaries		12,00,00,000		12,00,00,000	12,00,00,000	
(b) Companies in the same group		-		-	-	
(c) Other related parties		-		-	-	
2. Other than related parties	1,04,29,84,457	1,04,29,84,457	1,04,29,84,481	1,04,29,84,481	1,04,29,84,481	
Total		1,16,29,84,457		1,16,29,84,481	1,16,29,84,481	
7) Other Information						
			As at 31 March 2024	As at 31 March 2023		
(i) Gross Non-Performing Assets						
(a) Related parties						
(b) Other than related parties			33,43,61,177	35,05,15,122		
(ii) Net Non-Performing Assets						
(a) Related parties						
(b) Other than related parties			18,36,76,551	27,02,09,813		
(iii) Assets acquired in satisfaction of debt			15,39,65,555	21,84,76,938		

For RAVI RAJAN & CO. LLP
ICAI Firm's Registration number: 099073N/N500320
Chartered Accountants

per Ravi Gujral
Partner
Membership No. 514254



UDIN: 24574254 BKE SP72951

Place: New Delhi
Date: June 25, 2024

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

Tariq Chinoy
Director
DIN No. 08830666

Mansi Gandhi
Company Secretary

Place: Mumbai
Date: June 25, 2024

Rajesh Jha
Director
DIN No. 05341036

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

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

	31-Mar-24		31-Mar-23	
	Favourable changes	Unfavourable changes	Favourable changes	Unfavourable changes
Security Receipts				
Sensitivity to movement in significant unobservable inputs i.e. underlying cashflows				
- increase by 25%	40,25,24,013	-	42,61,90,277	-
- decrease by 25%	-	(40,25,24,013)	-	(42,61,90,277)

42.6 Fair value of financial instruments not measured at fair value

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

31-Mar-24	Notional amount	Fair Value			Total
		Level-1	Level-2	Level-3	
Financial assets:					
Cash and cash equivalents	2,79,54,070	2,79,54,070	-	-	2,79,54,070
Bank balance other than cash and cash equivalents	1,01,71,91,773	1,01,71,91,773	-	-	1,01,71,91,773
Loans	18,36,76,551	-	18,36,76,551	-	18,36,76,551
Investment in Subsidiaries	12,00,00,000	-	-	12,00,00,000	12,00,00,000
Other Financial assets	1,52,01,105	1,52,01,105	-	-	1,52,01,105
Total financial assets	1,36,40,23,500	1,06,03,46,949	18,36,76,551	12,00,00,000	1,36,40,23,500
Financial liabilities:					
Trade Payables	4,91,93,474	4,91,93,474	-	-	4,91,93,474
Other Financial liabilities	1,29,49,862	1,29,49,862	-	-	1,29,49,862
Total financial liabilities	6,21,43,336	6,21,43,336	-	-	6,21,43,336
Off balance sheet items	-	-	-	-	-
Other commitments	-	-	-	-	-
Total off-balance sheet items	-	-	-	-	-
31-Mar-23					
	Notional amount	Fair Value			Total
		Level-1	Level-2	Level-3	
Financial assets:					
Cash and cash equivalents	76,66,90,525	76,66,90,525	-	-	76,66,90,525
Bank balance other than cash and cash equivalents	32,37,48,890	32,37,48,890	-	-	32,37,48,890
Loans	75,39,08,484	-	87,24,43,510	-	87,24,43,510
Investment in Subsidiaries	12,00,00,000	-	-	12,00,00,000	12,00,00,000
Other Financial assets	2,03,37,073	2,03,37,073	-	-	2,03,37,073
Total financial assets	1,98,46,84,972	1,11,07,76,488	87,24,43,510	12,00,00,000	2,10,32,19,998
Financial liabilities:					
Trade Payables	1,37,77,270	1,37,77,270	-	-	1,37,77,270
Other Financial liabilities	3,15,24,387	3,15,24,387	-	-	3,15,24,387
Total financial liabilities	4,53,01,657	4,53,01,657	-	-	4,53,01,657
Off balance sheet items	-	-	-	-	-
Other commitments	-	-	-	-	-
Total off-balance sheet items	-	-	-	-	-

42.7 Valuation methodologies of financial instruments not measured at fair value

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

Financial assets and liabilities

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

Loans and advances to customers

The fair values of loans and receivables are estimated by discounted cash flow models.

Debt securities and borrowings

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



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Note 43- Risk management

43.1 Introduction and Risk Profile

The objective of risk management is not to prohibit or prevent risk-taking activities, but to ensure that the risks are consciously taken with full knowledge, clear purpose and understanding so that they can be mitigated. It also prevents the Company from suffering losses catering to its material damage its competitive position. Balancing risk and return is not an easy task as risk is subjective and not quantifiable whereas return is objective and measurable. Hence, there is a need to establish a risk management framework to manage, mitigate and attempt to build an estimate of the various components of risk that exist at any point in time. As the complexity and scale of the organization increases, risk increases disproportionately.

43.1.1 Risk management structure

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles. The Board has constituted the Risk Management Committee (RMC) which is responsible for monitoring the overall risk processes within the Company. RMC shall be responsible for managing risk. The functions of RMC should essentially be to identify, monitor and measure the risk profile of the Company arising from its business activities. RMC shall be responsible for developing policies and procedures, approve the structure of the models that are used for providing credit, reviewing the risk mitigation mechanisms as development takes place in the markets and identify new risks.

43.1.2 Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on spreading its lending portfolio across all the states with a cap on maximum limit of exposure for a state and also for an individual borrower/group of borrowers.

43.2 Credit Risk

Credit risk is the potential that a borrower/counter party fails to meet the obligations on pre-agreed terms. The objective of credit risk management is to minimize the risk and maximize the Company's risk-adjusted rate of return by assessing and maintaining credit exposure within the acceptable parameters. The interest rate charged to the borrower would be a function of risk perceived, cost of funds, margin, competitive forces, potential reinvestment risk and period of funding.

43.2.1 Management of Credit risk

Credit risk consists of primarily two components, i.e. quantity of risk, which is the outstanding loan balance as on the date of default and the quality of risk, i.e. the severity of loss defined by both probability of default as reduced by the recoveries that could be made in the event of default. Thus, credit risk is a combined outcome of default risk and exposure risk. As mentioned earlier, due to the nature of business of the Company, it is imperative to have sufficient capital cushion against default risk and hence, adequate leverage will be taken with careful balancing of interests of shareholder returns and risk prudence. Since default is not an abrupt process and the borrower's creditworthiness and asset quality declines gradually, the Company carefully monitors the developments of the asset post disbursement for operational progress, accounting and financial information, sales and collections. The Company also assesses the overall financial health of the borrower and its group at regular intervals and attempts to get information. The Company adheres to high standards of credit risk management and mitigation. The lending proposals are subjected to assessment of promoters, group financial strength and leverage, operational and financial performance track record, credit risk flows, valuation of collateral, status of projects etc.

43.2.2 Write off policy

In case of financial assets where recovery is improbable, the Board of Directors of its limited-constituted Committee i.e. the Credit Committee takes the decision for principal write-off. Initially these are only technical write-offs and the loans are monitored and followed-up for recovery by all legitimate means. Financial assets are written off completely only after there is no hope of recovery after the Company exhausts all legitimate means of recovery and the Company in its judgement feels that no further recovery is possible.

43.2.3 Impairment Assessment

43.2.3.1 Staging of Assets

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

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

Stage 2
 All exposures where there has been a significant increase in credit risk since initial recognition but are not credit-impaired are classified under this stage. 30 days past due is considered as significant increase in credit risk. The Company shall classify all advances between 1-3 months default under this category. Also, the advances where there has been a rating downgrade by multiple notches since initial recognition and the accounts shows signs of stress, such exposures shall also be classified under Stage 2.

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

43.2.3.2 Measurement of Expected Credit Losses (ECL)

As per Para 5.5.17 of Ind AS 109, the Company should measure expected credit losses of a financial instrument on a way that reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes, the time value of money, and time-varying and unobservable information that is available.

Based on above, ECL on Advances (staged portion) has been computed in the following manner:

$$ECL = EAD \times PD \times LGD$$

(1) Exposure at Default (EAD)

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the ability to increase its exposure while approaching default and potential early repayments too.

(2) Probability of Default (PD)

It is an estimate of the likelihood of default over a given time horizon. As per Para 5.5.51 of Ind AS 109, an entity may use various sources of data, but may be both internal (entity-specific) and external. Possible data sources include internal historical credit loss experience, internal ratings, credit loss experience of other entities and external ratings, reports and statistics. Entities that have no, or insufficient, sources of entity-specific data may use peer group experience for the comparable financial instrument (or groups of financial instruments). While arriving at the PD, the Company also ensures that the factors that affects the macro-economic trends are considered to a reasonable extent, wherever necessary. 12 Months PD is applied to assets in Stage 1. In case of assets where there is a significant increase in credit risk, lifetime PD has been applied which is computed based on survival analysis. Lifetime PD has been applied/considered in case of Stage 2 advances. For credit-impaired assets, a PD of 100% has been applied.

(3) Loss Given Default (LGD)

LGD is an estimate of the loss arising in case where a default occurs. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive, including from the realization of any security.

43.2.4 Analysis of risk concentration

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

Particulars	As at 31st Mar 2024	As at 31st March 2023
Cash and cash equivalents	2,79,34,170	76,66,98,525
Bank balance other than cash and cash equivalents	1,01,71,91,373	23,37,48,890
Loans	18,38,76,251	75,39,08,484
Investments	1,16,29,84,457	1,31,59,74,481
Other Financial assets	1,32,01,105	2,93,37,073
Total	2,40,70,07,957	3,48,06,59,453



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Credit quality of assets

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

	31-Mar-24			31-Mar-23			Total
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	
Internal rating grade							
Performing							
High grade (0-1DPD)	-	-	-	-	-	8,20,75,457	8,20,75,457
Standard grade (1-30 DPD)	48,71,03,590	-	-	48,71,03,590	-	-	48,71,03,590
Sub-standard grade (31-60)	-	-	-	-	-	-	-
Past due but not impaired (61-90)	-	-	-	-	-	-	-
Non-performing							
Individually impaired	-	32,42,61,177	-	-	36,84,39,665	-	36,84,39,665
Total	-	32,42,61,177	-	48,71,03,590	36,84,39,665	35,05,15,122	83,76,18,712

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

	Year ended March 31, 2024			Year ended March 31, 2023			Total
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	
Gross carrying amount opening balance							
New assets originated or purchased (net)	48,71,03,590	-	35,05,15,122	1,89,37,34,433	51,95,88,444	17,35,18,111	2,58,68,40,988
Assets derecognised or repaid (net) (excluding write offs)	(48,71,03,590)	-	(2,62,53,945)	(1,61,98,49,772)	-	(12,93,81,505)	(1,74,92,32,277)
Transfers to Stage 1	-	-	-	51,95,88,444	(51,95,88,444)	-	-
Transfers to Stage 2	-	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	(30,63,78,516)	-	30,63,78,516	-
Amounts written off	-	-	-	-	-	-	-
Gross carrying amount closing balance	-	32,42,61,177	-	48,71,03,590	35,05,15,122	35,05,15,122	83,76,18,712

Reconciliation of ECL balance is given below:

	Year ended March 31, 2024			Year ended March 31, 2023			Total
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	
ECL allowance - opening balance							
New assets originated or purchased (net)	34,04,919	-	8,03,65,309	5,36,14,099	2,15,83,958	1,77,64,496	9,29,62,553
Assets derecognised or repaid (net) (excluding write offs)	(34,04,919)	-	(6,02,79,317)	(6,46,75,927)	-	5,54,21,602,40	5,54,21,602
Transfers to Stage 1	-	-	-	2,15,83,958	(2,15,83,958)	-	-
Transfers to Stage 2	-	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	(71,19,211)	-	71,19,210,85	-
Amounts written off	-	-	-	-	-	-	-
ECL allowance - closing balance	-	14,05,84,626	-	34,04,919	8,03,65,309	8,37,10,228	8,37,10,228

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

Particulars	Year ended March 31, 2024			Year ended March 31, 2023			Total
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	
Loans	(34,04,919)	-	6,02,79,317	(5,02,09,180)	(2,15,83,958)	6,35,40,813	(92,52,325)
Total impairment loss	(34,04,919)	-	6,02,79,317	(5,02,09,180)	(2,15,83,958)	6,35,40,813	(92,52,325)



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Credit risk exposure analysis

Particulars	As at March 31 2024			
	Stage 1	Stage 2	Stage 3	Total
Per portfolio				
Loans	-	-	32,42,61,177	32,42,61,177
Break up into:				
Per sector				
Real estate loan portfolio	-	-	32,42,61,177	32,42,61,177
Corporate loan portfolio	-	-	-	-
Per region				
Karnataka	-	-	1,21,52,460	1,21,52,460
Delhi/NCR	-	-	31,21,08,717	31,21,08,717
Total	-	-	32,42,61,177	32,42,61,177

Particulars	As at March 31 2023			
	Stage 1	Stage 2	Stage 3	Total
Per portfolio				
Loans	48,71,03,590	-	35,05,15,122	83,76,18,712
Break up into:				
Per sector				
Real estate loan portfolio	44,21,60,998	-	35,05,15,122	79,26,76,120
Corporate loan portfolio	4,49,42,592	-	-	4,49,42,592
Per region				
Maharashtra	-	-	-	-
Karnataka	4,49,42,592	-	1,37,41,806	5,86,84,398
Delhi/NCR	34,14,69,809	-	33,67,73,316	67,82,43,125
Tamil Nadu	10,06,91,189	-	-	10,06,91,189
Total	48,71,03,590	-	35,05,15,122	83,76,18,712



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43.3 Collateral and other credit enhancements

Collateral and other credit enhancements

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

Type of credit enhancement or collateral	Fair value of collateral and credit enhancements held under the base case scenario										
	Maximum exposure to credit risk	Cash	Securities	Bank guarantees	Plant and machinery	Land and building	Inventory and other working capital items	Book debts	Surplus collateral	Total collateral	Net exposure
As at March 31, 2024											
Loans	32,42,61,177	-	-	-	-	18,27,92,000	50,40,29,700	-	-	68,68,21,700	-
Total financial assets at amortised cost	32,42,61,177	-	-	-	-	18,27,92,000	50,40,29,700	-	-	68,68,21,700	-
Other commitments	-	-	-	-	-	-	-	-	-	-	-
Type of credit enhancement or collateral	Fair value of collateral and credit enhancements held under the base case scenario										
	Maximum exposure to credit risk	Cash	Securities	Bank guarantees	Plant and machinery	Land and building	Inventory and other working capital items	Book debts	Surplus collateral	Total collateral	Net exposure
As at March 31, 2023											
Loans	83,76,18,712	-	-	-	-	67,06,46,944	1,94,10,17,543	-	-	2,61,16,64,488	-
Total financial assets at amortised cost	83,76,18,712	-	-	-	-	67,06,46,944	1,94,10,17,543	-	-	2,61,16,64,488	-
Other commitments	-	-	-	-	-	-	-	-	-	-	-



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43.4 Liquidity risk and funding management

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

- a) Monitoring the Company's liquidity position on a regular basis, using a combination of contractual and behavioural modelling of balance sheet and cash flow information;
- b) Maintaining a high quality liquid asset portfolio or maintaining undrawn bank lines;
- c) Operating a prudent funding strategy which ensures appropriate diversification and limits maturity concentrations.

43.4.1. Liquidity ratios

Advances to borrowings ratio

	31-Mar-24	31-Mar-23
Year-end	-	-
Maximum during the last 12 months	-	5.93
Minimum during the last 12 months	-	-
Average during the last 12 months	-	1.61

43.4.2. Analysis of financial liabilities by remaining contractual maturities

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

Maturity pattern of liabilities as at March 31, 2024:

Particulars	On demand	Less than 3 months	Over 3 months & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Financial liabilities								
Trade payables	-	4,91,93,474	-	-	-	-	-	4,91,93,474
Debt securities	-	-	-	-	-	-	-	-
Borrowings (other than debt securities)	-	-	-	-	-	-	-	-
Other financial liabilities	-	64,72,701	64,72,161	-	-	-	-	1,29,44,862
Total undiscounted financial liabilities	-	5,56,66,175	64,72,161	-	-	-	-	6,21,43,335

Maturity pattern of liabilities as at March 31, 2023:

Particulars	On demand	Less than 3 months	Over 3 months & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Financial liabilities								
Trade payables	-	1,37,77,270	-	-	-	-	-	1,37,77,270
Debt securities	-	-	-	-	-	-	-	-
Borrowings (other than debt securities)	-	-	-	-	-	-	-	-
Other financial liabilities	-	31,36,892	55,98,730	1,01,68,390	1,06,00,375	-	-	3,15,34,387
Total undiscounted financial liabilities	-	1,69,14,162	55,98,730	1,01,68,390	1,06,00,375	-	-	4,53,01,657



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43.5 Market risk

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

43.6 Interest rate risk

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

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

Market indices	Change in Interest rate	31 March, 2024		31 March, 2023	
		Impact on profit before tax	Impact on equity	Impact on profit before tax	Impact on equity
Interest rate	100 Basis Points down 100 Basis Points Up	-	-	-	-

43.7 Operational risk

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

43.8 Integrated risk

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



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