

May 22, 2023

BSE Ltd
General Manager
Department of Corporate Services
Floor 25, Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400 001

Scrip Code: 959884, 960488, 973281, 973375, 973644 & 973771

Sub: Outcome of Board Meeting of Aventus Finance Private Limited ("the Company")

Dear Sir/ Madam,

Pursuant to Regulations 51(2) and 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') read with Part B of Schedule III of the SEBI Listing Regulations and the Operational Circular issued by SEBI through circular number SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/ 0000000103 dated July 29, 2022 ("SEBI Operational Circular"), as amended, we wish to inform you that the Board of Directors of the Company at its meeting held today i.e., May 22, 2023 has inter alia, considered and approved Annual Audited Standalone Financial Results of the Company for the quarter and year ended March 31, 2023.

In accordance with Regulation 52(3) of SEBI Listing Regulations, we hereby declare that M/s. M M Nissim & Co LLP, Chartered Accountants, Statutory Auditors (Firm Registration No. 107122W/W100672) of the Company have issued Auditors Report with unmodified opinion on the Audited Financial Statements of the Company for the quarter and year ended March 31, 2023.

Accordingly, please find enclosed the following:

1. Annual Audited Standalone Financial Results of the Company for the quarter and year ended March 31, 2023 along with Audit report issued by the Statutory Auditors of the Company;
2. Disclosure of Related Party Transactions pursuant to Regulation 23(9) of the SEBI Listing Regulations for the half year ended March 31, 2023;
3. Security Cover certificate pursuant to the provisions of Regulation 54(3) of SEBI Listing Regulations read with SEBI Circular dated May 19, 2022 issued by M/s M M Nissim & Co. LLP, Chartered Accountants for the quarter and year ended March 31, 2023; and
4. Disclosure pursuant to Regulation 52(7) & 52(7A) of SEBI Listing Regulations read with Chapter IV of the SEBI Operational Circular.

Further, please note that the disclosures as required under Regulation 52(4) and Regulation 54 of the SEBI Listing Regulations forms part of the aforesaid financial results. The said results will also

be published in the newspaper, in the format prescribed under Regulation 52(8) of the SEBI Listing Regulations.

In addition to the above, the following matters were also considered and approved by the Board at its meeting:

1. Issuance of Non-Convertible Debentures including Market Linked Debentures or Equity Linked Debentures upto an amount of INR 820 crores (Indian Rupees Eight Hundred Twenty crore only), during the Financial Year 2023-24, in one or more tranches, on a private placement basis, subject to approval of shareholders of the Company;
2. Based on the recommendation of the Nomination & Remuneration Committee and subject to approval of the shareholders of the Company, appointed Mr. Nilesh Dhedhi [DIN – 07815777] as an Additional Director and designated Mr. Dhedhi as a Managing Director & CEO of the Company for a period of five years w.e.f May 23, 2023;

In accordance with BSE circular dated 20th June, 2018, we hereby confirm that Mr. Nilesh Dhedhi is not debarred from holding the office of a Director by virtue of any SEBI order or any other such authority.

3. Based on the recommendation of the Nomination & Remuneration Committee, redesignated Mr. Kaushal Kumar Aggarwal (DIN – 00153487) as Director (Non-Executive) of the Company w.e.f May 23, 2023.

The above meeting of the Board of Directors commenced at IST 4:30 pm and concluded at IST 7 pm

Please note that in terms of Company's Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons, the Trading Window for dealing in the Listed Non-Convertible Debentures of the Company will open on Wednesday, May 24, 2023.

Thanking You,

Yours faithfully,

For **Avendus Finance Pvt. Ltd.**

Rajendra Rana
Authorised Signatory

Encl: as above

Independent Auditor's Report on Annual Financial Results of Avendus Finance Private Limited Pursuant to the Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Avendus Finance Private Limited

Opinion

1. We have audited the accompanying annual financial results ('the Statement') of **Avendus Finance Private Limited** ('the NBFC') for the year ended 31 March 2023, attached herewith, being submitted by the NBFC pursuant to the requirements of Regulation 52 of the Securities and Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (the 'Listing Regulations').
2. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - (i) is presented in accordance with the requirements of Regulation 52 of the Listing Regulations, and
 - (ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') under section 133 of the Companies Act, 2013 ('the Act'), read with the Companies (Indian Accounting Standards) Rules, 2015, the relevant circulars, guidelines and directions issued by the Reserve Bank of India ('RBI') from time to time ('RBI Guidelines') and other accounting principles generally accepted in India, of the net profit after tax and other comprehensive income and other financial information of the NBFC for the year ended 31 March 2023.

Basis for Opinion

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



Independent Auditor's Report on Annual Financial Results of Avendus Finance Private Limited Pursuant to the Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (Continued)

Board of Director's Responsibilities for the Statement

4. This Statement has been prepared on the basis of the annual audited financial statements and has been approved by the NBFC's Board of Directors. The NBFC's Board of Directors are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income and other financial information of the NBFC in accordance with the Ind AS prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, RBI Guidelines and in compliance with Regulation 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the NBFC and for preventing and detecting frauds and other irregularities;

Board of Director's Responsibilities for the Statement (Continued)

selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

5. In preparing the Statement, the Board of Directors are responsible for assessing the NBFC's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the NBFC or to cease operations, or has no realistic alternative but to do so.
6. The Board of Directors is also responsible for overseeing the NBFC's financial reporting process.

Auditor's Responsibilities for the Audit of the Statement

7. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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, specified under section 143(10) of the Act, 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 this Statement.



Independent Auditor's Report on Annual Financial Results of Avendus Finance Private Limited Pursuant to the Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (Continued)

8. As part of an audit in accordance with the SAs, specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the NBFC has in place an adequate internal financial controls with reference to financial statements and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
 - Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the NBFC'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 Statement 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 NBFC to cease to continue as a going concern.

Auditor's Responsibilities for the Audit of the Statement (Continued)

- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
9. 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.
10. 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.



Independent Auditor's Report on Annual Financial Results of Avendus Finance Private Limited Pursuant to the Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (Continued)

Other Matter

11. The Statement includes the financial results for the quarter ended 31 March 2023, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subject to limited review by us.

For M M Nissim & Co LLP

Chartered Accountants

Firm Registration No: 107122W/W100672


Gayatri Sonavane

Partner

Membership No. 114049

UDIN: 23114049BGXMMB3802

Mumbai

22 May 2023



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STATEMENT OF FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2023

(INR in lakh)

Particulars	Quarter ended			Year Ended	
	March 31, 2023	December 31, 2022	March 31, 2022	March 31, 2023	March 31, 2022
	(Refer note 7)	Unaudited	(Refer note 7)	Audited	Audited
1 Income					
Revenue from operations	5,455.53	5,113.31	4,808.05	20,711.01	18,991.47
(i) Interest Income	5.24	-	-	5.24	-
(ii) Dividend Income	13.85	964.32	8.51	1,106.20	20.63
(iii) Fees and Commission income	797.09	818.38	682.50	2,644.04	1,333.09
(vi) Net gain on fair value changes					
(I) Total Revenue from operations	6,271.71	6,896.01	5,499.06	24,466.49	20,345.19
(II) Other Income	0.15	0.56	17.27	11.48	18.23
(III) Total Income (I+II)	6,271.86	6,896.57	5,516.33	24,477.97	20,363.42
2 Expenses	1,997.71	2,086.27	2,185.41	8,732.60	8,245.74
(i) Finance Costs	3,013.84	2,168.66	3,701.33	5,851.64	4,338.35
(ii) Impairment on financial instruments	738.70	597.27	902.09	2,771.82	2,699.11
(iii) Employee benefit expense	3.80	2.41	2.80	10.28	13.98
(iv) Depreciation, amortisation and impairment	461.71	439.67	485.57	1,506.68	1,628.49
(v) Other Expenses					
(IV) Total Expenses	6,215.76	5,294.28	7,277.20	18,873.02	16,925.67
(V) Profit before tax (III-IV)	56.10	1,602.29	(1,760.87)	5,604.95	3,437.75
(VI) Tax expenses :					
(1) Current Tax					
for the current year	789.17	1,952.56	442.08	2,772.80	1,997.08
Short/(excess) provision in respect of earlier years	-	5.28	-	5.28	-
(2) Deferred tax (credit)/charge	(771.58)	(1,541.42)	(855.10)	(1,330.94)	(1,064.50)
Total Tax Expense	17.59	416.42	(413.02)	1,447.14	932.58
(VII) Net profit after tax (V-VI)	38.51	1,185.87	(1,347.85)	4,157.81	2,505.17
(VIII) Other comprehensive Income					
Items that will not be reclassified subsequently to profit or loss					
(a) remeasurements of defined benefit plan;	14.34	-	(4.58)	17.01	9.60
(b) Income tax relating to remeasurements of defined benefit plan	(4.28)	-	1.27	(4.28)	(2.42)
Other Comprehensive Income	10.06	-	(3.31)	12.73	7.18
(IX) Total Comprehensive Income (VII+VIII)	48.57	1,185.87	(1,351.16)	4,170.54	2,512.35
(X) Paid up Equity Share Capital (Face value Re. 1/- each)	49,756.33	49,756.33	49,756.33	49,756.33	49,756.33
(XI) Other Equity				26,434.96	22,257.26
(XII) Earnings per equity share (not annualised for the quarter)					
Basic (Rs.)	0.00	0.03	(0.03)	0.08	0.05
Diluted (Rs.)	0.00	0.03	(0.03)	0.08	0.05



AVENDUS FINANCE PRIVATE LIMITED
Registered Office: 901, 9th Floor Plot No. C-59, Platina, Bandra Kurla Complex, Bandra (East),
Mumbai-400 051

Telephone No.: 022 66480050 Fax No.: 022 66480040

Website: www.avendus.com Email: investor.afpl@avendus.com;

CIN: U65921MH1996PTC251407

STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2023

(INR in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
	Audited	Audited
Assets		
(1) Financial Assets		
(a) Cash and cash equivalents	3,801.51	478.06
(b) Bank balance other than (a) above	1,615.82	4,134.26
(c) Derivative financial asset	-	226.56
(d) Trade receivables	156.70	28.11
(e) Loans	122,799.51	124,271.63
(f) Investments	24,397.38	38,461.61
(g) Other financial assets	60.64	116.78
(2) Non-Financial Assets		
(a) Current tax assets (net)	70.16	149.97
(b) Deferred tax assets (net)	4,609.22	3,282.56
(c) Property, Plant and equipment	18.56	16.06
(d) Intangible assets	15.58	-
(e) Intangible assets under development	-	16.50
(f) Other non-financial assets	110.46	262.28
Total Assets	157,655.54	171,444.38
Liabilities and Equity		
Liabilities		
(1) Financial Liabilities		
(a) Derivative financial liability	341.23	225.70
(b) Payables		
Trade payables		
(i) total outstanding dues of micro enterprises and small enterprises	0.81	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1,284.45	1,253.99
(c) Debt securities	63,142.00	68,932.27
(d) Borrowings (Other than Debt Securities)	15,680.57	28,566.37
(e) Other financial liabilities	256.55	0.88
(2) Non-Financial Liabilities		
(a) Current tax liabilities (net)	446.55	179.97
(b) Provisions	233.09	200.84
(c) Other non-financial liabilities	79.00	70.77
Total Liabilities (A)	81,464.25	99,430.79
(3) Equity		
(a) Equity share capital	49,756.33	49,756.33
(b) Other equity	26,434.96	22,257.26
Total Equity (B)	76,191.29	72,013.59
Total Liabilities and Equity (A+B)	157,655.54	171,444.38



STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2023

(INR in lakh)

		As at March 31, 2023	As at March 31, 2022
		Audited	Audited
A	CASH FLOW FROM OPERATING ACTIVITIES :		
	Profit before tax	5,604.95	3,437.75
	Add / (Less) : Adjustments for		
	Depreciation	10.28	13.98
	Fair Value of debt securities and preference shares	2.31	9.55
	Interest income on fixed deposit	169.88	(345.12)
	Impairment losses on financial instruments	5,851.64	4,338.35
	Gain on sale of mutual funds	(1,284.26)	(613.46)
	Fair value changes	(567.91)	(219.15)
	Interest Expenses	8,732.60	8,245.64
	Dividend Income	(5.24)	-
	Interest Income	(20,711.01)	(18,565.65)
	Share based payment	7.15	(10.31)
	Interest received	21,034.94	15,924.23
	Interest paid	(14,396.40)	(6,889.02)
	Cash generated from operations before Working Capital Changes	4,448.93	5,326.79
	(Increase)/decrease in Receivables	(128.59)	(10.23)
	(Increase)/decrease in Loans	(4,157.23)	(8,106.07)
	(Increase)/decrease in Other Financial assets	56.14	(101.18)
	(Increase)/decrease in Other non-financial assets	152.68	(94.02)
	Increase/(decrease) in Payables	31.27	322.34
	Increase/(decrease) in Provisions	49.27	151.70
	Increase/(decrease) in Other financial liabilities	615.89	(319.74)
	Increase/(decrease) in Other non-financial liabilities	8.23	8.52
	Net Changes in Working Capital	(3,372.34)	(8,148.68)
	Cash flow from/(used in) Operating activities	1,076.59	(2,821.89)
	Income Tax Paid (Net)	(2,431.69)	(1,795.06)
	Net Cash (used in) Operating Activities (A)	(1,355.10)	(4,616.95)
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase/(sale) of liquid Investments (net)	15,348.88	(20,488.27)
	Dividend Received	5.24	-
	Redemption/(Placement) from Fixed Deposits	2,348.56	2,825.05
	Purchase of Fixed Assets	(11.86)	(21.26)
	Net Cash from / (used in) Investing Activities (B)	17,690.82	(17,684.48)
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from Borrowings and Debt Securities	1,390.53	56,550.00
	Repayment of Borrowings and Debt Securities	(14,402.80)	(35,633.07)
	Payment on account of Option purchased for ELD	-	(184.77)
	Net Cash generated from Financing Activities (C)	(13,012.27)	20,732.16
	Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	3,323.45	(1,569.27)
	Cash and cash equivalents as at the beginning of the year	478.06	2,047.33
	Cash and cash equivalents as at the end of the year	3,801.51	478.06
	Cash and Cash Equivalents consist of :-		
	- Balance in Current Accounts	1,297.04	478.06
	- Balance in Fixed Deposits	2,504.47	-
		3,801.51	478.06



AVENDUS FINANCE PRIVATE LIMITED
Notes to Standalone Financial Results for the Quarter and Year Ended March 31, 2023

- 1 The Statement has been prepared in accordance with and comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act. The annual financial statements, used to prepare the financial results, are based on the Division III of the notified Schedule III of the Act, as amended from time to time, for Non-Banking Financial Companies that are required to comply with Ind AS.
- 2 The Statement has been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 22, 2023. The Results for the Year ended March 31, 2023, have been audited by the statutory auditors, viz. M M Nissim & Co LLP, Chartered Accountants.
- 3 Information as required by Regulation 52(4) and Regulation 54(2) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 is as per "Annexure I" attached.
- 4 On November 12, 2021, Reserve Bank of India issued circular clarifying certain aspects of Income Recognition, Asset Classification and Provisioning norms. While the Company has complied with those norms, the Company continues to hold loan loss provisions as per existing Expected Credit Loss (ECL) policy and maintains adequate ECL provision as per Ind AS 109, which are higher than the minimum provision stipulated in the IRACP norms.
- 5 Details of loans transferred / acquired during the quarter ended March 31, 2023 under the RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021 are given below:
 - (i) The Company has not transferred any stressed assets.
 - (ii) The Company has not acquired any loans not in default.
 - (iii) The Company has not acquired any stressed loan.
 - (iv) The company has not transferred any loans not in default.
 - (v) There were no instances where Company had agreed to replace loans transferred to transferee(s) or pay damages arising out of any representation or warranty.

- 6 Disclosure in terms of Format A of RBI circular DOR.No.BP.BC/3/21.04.048/2020-21 dated August 6, 2020

(INR in lakhs)

Type of Borrower	(A)	(B)	(C)	(D)	(E)
	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of the previous half-year	Of (A), aggregate debt that slipped into NPA during the half year	Of (A) amount written off during the half year	Of (A) amount paid by the borrowers during the half year	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of the half year #
Personal Loans	-	-	-	-	-
Corporate persons	8,342.40	8,342.40	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	8,342.40	8,342.40	-	-	-

Increase in balance is on account of interest accrued during the moratorium period.

- 7 The figures of the last quarter in each of the financial years are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the respective financial years.
- 8 Figures for the previous period/year have been regrouped wherever necessary to conform to current period/year presentation.

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

Kaushal Aggarwal

Kaushal Kumar Aggarwal
Managing Director & CEO



Place : Mumbai
Date : May 22, 2023



AVENDUS FINANCE PRIVATE LIMITED
Notes to Standalone Financial Results for the Quarter and Year Ended March 31, 2023

Annexure I

Additional Information pursuant to Regulation 52(4) and Regulation 54(2) of the Listing Regulations as on March 31, 2023 with respect to listed, secured debentures of the Company issued on private placement basis

Particulars	As at / For Quarter ended March 31, 2023	As at / For Year ended March 31, 2023
a. As required under Regulation 54 of the SEBI Listing Regulations, the security cover as on 31 March, 2023 as per the terms of the disclosure documents / Information Memorandum and other Transaction documents is in the range of 1.1 X to 1.25 X. The Company has maintained the required security cover at all times sufficient to discharge its liabilities for the listed Non-Convertible Debentures issued, by way of first ranking pari passu and continuing charge over book debts / loan receivables.		
b. Debt equity ratio [(Debt Security + Borrowings (other than Debt Security)) / Equity share capital + Other equity]	1.03	1.03
c. Net worth (INR In Lakhs) [Equity share capital + Other Equity]	76191.29	76191.29
d. Material deviation if any in the use of proceeds of issue of debt securities from the objects stated in the offer document **	N.A.	N.A.
e. Current ratio *	N.A.	N.A.
f. Long Term Debt to Working Capital *	N.A.	N.A.
g. Bad debts to Accounts receivable ratio *	N.A.	N.A.
h. Current Liability ratio *	N.A.	N.A.
i. Total Debts to Total Assets [Debt Security + Borrowings (other than Debt Security)] / Total Assets]	0.50	0.50
j. Debtors Turnover ratio *	N.A.	N.A.
k. Inventory Turnover ratio *	N.A.	N.A.
l. Gross NPA	6.27%	6.27%
m. Net NPA	0.00%	0.00%
n. Capital Risk Adequacy Ratio [CRAR has been computed as per the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 issued by Reserve Bank of India]	48.10%	48.10%
o. Outstanding redeemable preference shares	N.A.	N.A.
p. Net profit after tax (INR In Lakhs)	38.51	4157.81
q. Debt Service Coverage ratio *	N.A.	N.A.
r. Interest Service Coverage ratio *	N.A.	N.A.
s. Earnings per share (Basic and Diluted) (Not Annualised)	0.00	0.08
t. Operating Margin (%) *	N.A.	N.A.
u. Net Profit Margin (%) [Profit after Tax / Revenue from Operations]	0.61%	16.99%
* The Company is a Non-Banking Financial Company registered under Reserve Bank of India Act, 1934 and therefore these ratios are not applicable		
** Not applicable, since there have been no debt securities issued during the twelve months ended March 31, 2023		
Note 1. As per Rule 18 (7) (b) (ii) (A) B of the Companies (Share Capital and Debentures) Rules, 2014 the Company being listed company, is not required to create Debenture Redemption Reserve		



**AVENDUS FINANCE PRIVATE LIMITED
RELATED PARTY DISCLOSURE**

(INR in lakh)

Sr. No.	Details of the party (listed entity/ subsidiary) entering into the transaction		Details of the counterparty		Type of related party transaction	Value of the related party transaction as approved by the audit committee	Value of the transaction during the reporting period (H2 FY23)		In case monies are due to either party as a result of the transaction		Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken.								
	Name	Relationship of the counterparty with the listed entity /subsidiary	Name of the counterparty				Opening balance	Closing balance	In case any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances		Details of the loans, inter-corporate deposits, advances or investments								
									Nature of indebtedness (loan/ issuance of debt/ any other	Nature (loan/ advance/ intercorporate deposit/ investment)	Cost	Tenure	Interest Rate (%)	Tenure (Days)	Secured/ unsecured	Purpose for which the funds will be utilised by the ultimate recipient of funds (end-usage)			
1	Avendus Finance Private Limited	Parent	Avendus Capital Private Limited		Reimbursement of expenses	1,000.00	324.99	(109.40)	(63.46)										
2	Avendus Finance Private Limited	Fellow Subsidiary	Avendus Wealth Management Private Limited		Consultancy Fees	500.00	248.92	(72.01)	(126.52)										
3	Avendus Finance Private Limited	Fellow Subsidiary	Avendus Wealth Management Private Limited		Referral fees	200.00	38.68	(28.70)	(23.45)										
4	Avendus Finance Private Limited	Fellow Subsidiary	Avendus PE Investment Advisors Private Limited		Advisory fees	60.00	28.20	14.32	46.70										
5	Avendus Finance Private Limited	Director	Debe Prasad Roy		Sitting fees	As approved by the Board	3.00	-	(0.90)										
6	Avendus Finance Private Limited	Director	Suresh Shankar Menon		Sitting fees	As approved by the Board	5.50	-	(0.90)										
7	Avendus Finance Private Limited	Director	Nikhilesh Panchal		Sitting fees	As approved by the Board	1.00	-	(0.90)										
8	Avendus Finance Private Limited	Director	Pijush Sinha		Sitting fees	As approved by the Board	3.00	-	(0.90)										
9	Avendus Finance Private Limited	Director	Padmaja Ruparel		Sitting fees	As approved by the Board	2.00	-	(0.90)										
10	Avendus Finance Private Limited	Managing Director and CEO	Kaushal Kumar Aggarwal		Remuneration	As approved by the Board	100.00	-	-										

Amount in bracket denotes credit balance



Certificate No: MMN/C/2023-24/MAY/0022

Independent Auditor's Report on Security Cover and compliance with all financial covenants as at 31st March, 2023

The Board of Directors
Aventus Finance Private Limited
901, Platina, 9th Floor
Plot No. C-59
Bandra Kurla Complex, Bandra (E)
Mumbai - 400051

- 1 This Report is issued in accordance with the terms of the engagement letter dated 24th May 2022.
- 2 The Aventus Finance Private Limited ("the Company") has raised money through issue of Debentures, which have been listed on the recognised Stock Exchange(s). Catalyst Trusteeship Limited has been appointed as Trustees (the "Debenture Trustees") for the subscribers to the Debentures.
- 3 Pursuant to Regulation 56(1)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended vide circular no. SEBI / HO / MIRSD / MIRSD_CRADT/COR/P/2022/67 dated May 19, 2022, and Regulation 15(1)(t) of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as amended from time to time, (together referred to as the "Regulations"), the Company is required to submit to Debenture Trustees a certificate regarding maintenance of Security Cover and compliance with all the financial covenants in respect of listed Debentures.
- 4 Accordingly, we, as Statutory Auditor of the Company, have been requested by the Company to examine the accompanying "Statement of Security Cover as on 31st March, 2023 from column A to J" (the "Statement") and compliance with all the financial covenants in respect of listed debt securities of the Company as mentioned in the accompanying "Statement of and compliance with financial covenants as on 31st March, 2023" ("Annexure A"). The accompanying Statement and Annexure A has been prepared by the Management of the Company from the financial statements, books of accounts and other relevant records maintained by the Company.



Management's Responsibility

- 5 The preparation of the Statement and Annexure A is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and Annexure A and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
- 6 Management of the Company is also responsible for ensuring that the Company complies with all the relevant requirements of the Regulations and for providing all relevant information to the Debenture Trustees and for complying with all the financial covenants as prescribed in the Debenture Trust Deed ("DTD") dated 10th August 2021, 14th December 2021, 7th February 2022 entered into between the Company and the Debenture Trustees ("together referred as Trust Deeds").

Auditor's Responsibility

- 7 Our responsibility is to provide limited assurance as to whether anything has come to our attention that causes us to believe that:
 - a) the particulars contained in the aforesaid Statement with respect to book value of asset charged against listed Debentures issued by the Company are not in agreement with the financial statements, books of accounts and other relevant records as at 31st March, 2023 maintained by the Company; and
 - b) the Company has not complied with all the financial covenants stipulated in the Trust Deed as on 31st March, 2023.
- 8 We conducted our examination of the Statement and Annexure A, on test basis, in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
- 9 Our scope of work did not include verification of compliance with any other requirement of other circulars and notifications issued by any regulatory authorities from time to time and any other laws and regulations applicable to the Company. Further, our scope of work did not involve performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any of the unaudited financial information or the financial statements of the Company, taken as a whole. We have not performed an audit, the objective of which would be the expression of an opinion on the financial statements, of specified elements, accounts or items thereof for the purpose of this report. Accordingly, we do not express such an opinion.
- 10 We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements issued by the ICAI.



Auditor's Responsibility (Continued)

- 11 A limited assurance engagement includes performing procedures to obtain sufficient appropriate evidence on the applicable criteria. The procedures performed vary in nature and timing from, and are less extent than for, a reasonable assurance. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. The procedures selected depend on the auditor's judgement, including the assessment of the areas where a material misstatement of the subject matter information is likely to arise. For the purpose of this engagement, we have performed the following procedures:
- a. Obtained and read the relevant clauses of Trust Deeds in respect of the listed Debentures and noted the Security Cover required to be maintained by the Company in respect of such Debentures, as indicated in the Statement.
 - b. Traced the principal amount of the Debentures outstanding as at 31st March, 2023, to the financial statements, the books of account and other relevant records maintained by the Company.
 - c. Obtained and read the list of book debts charged as security in respect of the Debentures outstanding.
 - d. Traced the value of book debts from the Statement to the financial statements, books of accounts and other relevant records maintained by the Company as at 31st March, 2023
 - e. Traced the security charged with register of charges maintained by the Company and 'Form No. CHG-9' filed with Ministry of Corporate Affairs ('MCA').
 - f. Traced the value of charge created against the book debts to the Security Cover indicated in the Statement.
 - g. Performed on test check basis the arithmetical accuracy of the computation of Security Cover indicated in the Statement.
 - h. Compared the Security Cover with the requirements as per Trust Deed.
 - i. With respect to compliance with covenants included in the Annexure A, we have performed following procedures:
 - i. Obtained list of applicable financials covenants, the computation of the financial covenants as at 31st March, 2023 and traced the figures included in such computation to the financial statements, books of accounts and other relevant records maintained by the Company.
 - ii. Compared the financial covenants referred above with the requirements stipulated in the Trust Deeds to verify whether such covenants comply with the requirements of the Trust Deeds.



Auditor's Responsibility (Continued)

- iii. Performed necessary inquiries with the management regarding any instance of non-compliance with covenants or communications received from the Debenture Trustees indicating any breach of covenants during the half year ended 31st March, 2023.
- j. Performed necessary inquiries with the Management and obtained necessary representations.

Conclusion

- 12 Based on the procedures performed by us, as referred to in paragraph 11 above and according to the information and explanations received and management representations obtained, nothing has come to our attention that causes us to believe that:
- a. the particulars contained in the aforesaid Statement with respect to book value of asset charged against listed Debentures issued by the Company are not in agreement with the financial statements, books of accounts and other relevant records as at 31st March, 2023 maintained by the Company; and
 - b. the Company has not complied with all the financial covenants stipulated in the Trust Deed as on 31st March, 2023, except for the covenant breach in series C - FY 2020-21 and Tranche 3 of Series C - FY 2020-21, which has been remediated by redeeming these bonds prematurely.

Other Matter

- 13 As per para 3.1 (a) of the circular no. SEBI / HO / MIRSD / MIRSD_CRADT/COR/P/ 2022/67 dated 19th May, 2022, we are required to certify the book value of the assets, hence, we have not verified market value provided in the Statement of Security Cover (i.e. from Column K to Column O) and accordingly we do not express any conclusion on the same.

Restriction on Use

- 14 Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Regulations. Our obligations in respect of this report are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have as statutory auditors of the Company or otherwise. Nothing in this report, nor anything said or done in the course of or in connection with the services that are the subject of this report, will extend any duty of care in connection with the statutory audit and other attest function carried out by us in our capacity as statutory auditors of the Company.



Restriction on Use (Continued)

- 15 The Report has been issued at the request of the Company, solely in connection with the purpose mentioned in paragraph 3 above and to be submitted with the accompanying Statement and Annexure A to the Debenture Trustees and is not to be used or referred to for any other person. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For M M Nissim & Co LLP

Chartered Accountants

Firm Registration No: 107122W/W100672


Gayatri Sonavane
Partner

Membership No. 114049

UDIN: 23114049BGXMMD1426

Mumbai

22nd May, 2023



CA

Compliance of all Financial covenants/terms of the issue in respect of listed debt securities of the Company

NCD Series	Financial Covenant	As of 31-March-23	Status
Series C - F.Y. 2020-21	<ol style="list-style-type: none"> 1) The capital adequacy ratio (as defined in RBI NBFC Regulations) shall be equal to 20% or above at all points in time. 2) The cumulative Asset–Liability Mismatch should always be within the limits prescribed by RBI/Company's ALM Policy. 3) Asset Quality: Ratio of PAR-90 to Gross Loan Portfolio shall be 6% or lower. 	<ol style="list-style-type: none"> 1) 48.10% 2) Complied 3) 6.27% 	While there has been breach in covenant of "Ratio of PAR-90 to Gross Loan Portfolio". The same has been remediated by redeeming these bonds prematurely.
Tranche-3 of Series C - F.Y. 2020-21	<ol style="list-style-type: none"> 1) The capital adequacy ratio (as defined in RBI NBFC Regulations) shall be equal to the regulatory requirement from time to time or above at all points in time during the tenor of the Debentures. 2) Asset Quality: Ratio of PAR-90 to Gross Loan Portfolio shall be 6% or lower 3) Debt equity ratio should be maintained below 4.00 during entire tenor of Debenture. 	<ol style="list-style-type: none"> 1) 48.10% 2) 6.27% 3) 1.03 times 	While there has been breach in covenant of "Ratio of PAR-90 to Gross Loan Portfolio". The same has been remediated by redeeming these bonds prematurely.
Series E of F.Y. 2020-21	<ol style="list-style-type: none"> 1) CRAR not to fall below 15% 2) Total Outside Liabilities / Total Net Worth to remain within 4x during the entire tenor of the MLD 	<ol style="list-style-type: none"> 1) 48.10% 2) 1.07 times 	Complied
Series F of F.Y. 2020-21	<ol style="list-style-type: none"> 1) CRAR not to fall below the prescribed RBI limits 2) Total Outside Liabilities / Total Net Worth to remain within 4x during the entire tenor of the MLD 	<ol style="list-style-type: none"> 1) 48.10% 2) 1.07 times 	Complied
Series A of F.Y. 2021-22	<ol style="list-style-type: none"> 1) CRAR not to fall below the prescribed RBI limits 2) Total Outside Liabilities / Total Net Worth to remain within 4x during the entire tenor of the MLD 	<ol style="list-style-type: none"> 1) 48.10% 2) 1.07 times 	Complied
Series B of F.Y. 2021-22	<ol style="list-style-type: none"> 1) CRAR not to fall below the prescribed RBI limits 2) Total Outside Liabilities / Total Net Worth to remain within 4x during the entire tenor of the MLD 	<ol style="list-style-type: none"> 1) 48.10% 2) 1.07 times 	Complied
Series C 2024 (FY 2021-22)	<ol style="list-style-type: none"> 1) The capital adequacy ratio (as defined in RBI NBFC Regulations) shall be equal to 20% or above at all points in time. 2) Cumulative Asset Liability mismatch should always be within the RBI limits defined from time to time. 3) Debt / Equity ratio will always be 3 times or less 	<ol style="list-style-type: none"> 1) 48.10% 2) Complied 3) 1.03 times 	Complied
Series D 2023 (FY 2021-22)	<ol style="list-style-type: none"> 1) CRAR not to fall below the prescribed RBI limits 2) Total Outside Liabilities / Total Net Worth to remain within 4x during the entire tenor of the MLD 	<ol style="list-style-type: none"> 1) 48.10% 2) 1.07 times 	Complied

For Avendus Finance Private Limited



Sameer Kamath
(Chief Financial Officer)
22 May, 2023



Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O	
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari-Passu Charge	Pari-Passu Charge	Pari-Passu Charge	Assets not offered as Security	Elimination (amount in negative)	(Total C to I)	Related to only those items covered by this certificate					
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari-Passu charge (excluding items covered in column F)		debt amount considered more than one (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable <i>(For Eg. Bank Balance, DSRA market value is not applicable)</i>	Market Value for Pari passu charge Assets	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable <i>(For Eg. Bank Balance, DSRA market value is not applicable)</i>	Total Value=(K+L+M+N)	
		Book Value	Book Value	Yes/No	Book Value	Book Value									
ASSETS															
Properties, Plant and Equipment							18.56		18.56						
Capital Work-in-Progress							-		-						
Right of Use Assets							-		-						
Goodwill							15.58		15.58						
Intangible Assets							-		-						
Intangible Assets under Development							-		-						
Investments							24,397.38		24,397.38						
Loans	Represents loan net of provision. It consists regular assets.				98,370.39	24,429.12	-		122,799.51				122,799.51	122,799.51	
Inventories									-						
Trade Receivables							156.70		156.70						
Cash and Cash Equivalents							3,801.51		3,801.51						
Bank Balances other than Cash and Cash Equivalents							1,615.82		1,615.82						
Others							4,850.48		4,850.48						
Total					98,370.39	24,429.12	34,856.03		157,655.54					122,799.51	
LIABILITIES															
Debt securities to which this certificate pertains				Yes	38,694.78				38,694.78						
Other debt sharing pari-passu charge with above debt				No	24,447.22	15,680.57			40,127.79						
Other Debt									-						
Subordinated debt									-						
Borrowings									-						
Bank									-						
Debt Securities									-						
Others									-						
Trade payables							1,285.26		1,285.26						
Lease Liabilities							-		-						
Provisions							233.09		233.09						
Others							1,123.33		1,123.33						
Total					63,142.00	15,680.57	2,641.68		81,464.25						
Cover on Book Value															
Cover on Market Value															
Exclusive Security Cover Ratio				Pari-Passu Security Cover Ratio	1.56	1.56								1.56	

Note:
 1) Receivable under financing activities is part of the pari-passu book where loans are in the nature of held to maturity and created with a sole objective of collecting principle & interest. Therefore company has considered the carrying value for reporting in column N
 2) All the secured debenture holders and / or secured lenders, have a pari-passu charge over the loan receivables. For the purpose of reporting, the receivables has been bifurcated

For Avendus Finance Private Limited


 Sameer Kamath
 (Chief Financial Officer)
 Date: May 22, 2023



Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari-Passu Charge	Pari-Passu Charge	Pari-Passu Charge	Assets not offered as Security	Elimination (amount in negative)	(Total C to I)	Related to only those items covered by this certificate				
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari-Passu charge (excluding items covered in column F)		debt amount considered more than once (due to exclusive plus pari passu charge)	Market Value for Assets charged on Exclusive basis	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assets	Carrying value/book value for pari passu assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value(=K+L+M+N)	
		Book Value	Book Value	Yes/No	Book Value	Book Value								
ASSETS														
Property, Plant and Equipment							18.56		18.56					-
Capital Work-in-Progress							-		-					-
Right of Use Assets							-		-					-
Goodwill														-
Intangible Assets							15.58		15.58					-
Intangible Assets under Development							-		-					-
Investments							24,397.38		24,397.38					-
Loans	Represents loan net of provision. It consist only regular assets.				98,370.39	24,429.12	-		122,799.51				122,799.51	122,799.51
Inventories									-					-
Trade Receivables							156.70		156.70					-
Cash and Cash Equivalents							3,801.51		3,801.51					-
Bank Balances other than Cash and Cash Equivalents							1,615.82		1,615.82					-
Others							4,850.48		4,850.48					-
Total		-	-	-	98,370.39	24,429.12	34,856.03	-	157,655.54	-	-	-	122,799.51	122,799.51
LIABILITIES														
Debt securities to which this certificate pertains				Yes	38,694.78				38,694.78					
Other debt sharing pari-passu charge with above debt				No	24,447.22	15,680.57			40,127.79					
Other Debt									-					
Subordinated debt									-					
Borrowings									-					
Bank									-					
Debt Securities									-					
Others									-					
Trade payables							1,285.26		1,285.26					
Lease Liabilities							-		-					
Provisions							233.09		233.09					
Others							1,123.33		1,123.33					
Total					63,142.00	15,680.57	2,641.68	-	81,464.25					
Cover on Book Value														
Cover on Market Value														
	Exclusive Security Cover Ratio	-		Pari-Passu Security Cover Ratio	1.56	1.56								1.56

Note

- 1) Receivable under financing activities is part of the non-trading book where loans are in the nature of held to maturity and created with a sole objective of collecting principle & interest. Therefore company has considered the carrying value for reporting in column N
2) All the secured debenture holders and / or secured lenders, have a pari-passu charge over the loan receivables. For the purpose of reporting, the receivables has been bifurcated.

For Avendus Finance Private Limited

Sameer Kamath
(Chief Financial Officer)
Date : May 22, 2023

This pdf is soft copy of the Security Cover as on March 31, 2023 as the scanned signed copy of the same is not legible.

Certificate No: MMN/C/2023-24/MAY/0023

**Independent Auditor's Report on Security Cover and compliance with all financial covenants
as at 31st March, 2023**

The Board of Directors
Aventus Finance Private Limited
901, Platina, 9th Floor
Plot No. C-59
Bandra Kurla Complex, Bandra (E)
Mumbai - 400051

- 1 This Report is issued in accordance with the terms of the engagement letter.
- 2 The Aventus Finance Private Limited ("the Company") has raised money through issue of Debentures, which have been listed on the recognised Stock Exchange(s). Vistra ITCL (India) Limited has been appointed as Trustees (the "Debenture Trustees") for the subscribers to the Debentures.
- 3 Pursuant to Regulation 56(1)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended vide circular no. SEBI / HO / MIRSD / MIRSD_CRADT/COR/P/2022/67 dated May 19, 2022, and Regulation 15(1)(t) of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as amended from time to time, (together referred to as the "Regulations"), the Company is required to submit to Debenture Trustees a certificate regarding maintenance of Security Cover and compliance with all the financial covenants in respect of listed Debentures.
- 4 Accordingly, we, as Statutory Auditor of the Company, have been requested by the Company to examine the accompanying "Statement of Security Cover as on 31st March, 2023 from column A to J" (the "Statement") and compliance with all the financial covenants in respect of listed debt securities of the Company as mentioned in the accompanying "Statement of and compliance with financial covenants as on 31st March, 2023" ("Annexure A"). The accompanying Statement and Annexure A has been prepared by the Management of the Company from the financial statements, books of accounts and other relevant records maintained by the Company.

Management's Responsibility

- 5 The preparation of the Statement and Annexure A is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and Annexure A and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.



Management's Responsibility (Continued)

- 6 Management of the Company is also responsible for ensuring that the Company complies with all the relevant requirements of the Regulations and for providing all relevant information to the Debenture Trustees and for complying with all the financial covenants as prescribed in the Debenture Trust Deed ("DTD") dated 10th March 2021, 30th March 2021, 25th June 2021, 26th June 2022, 4th August 2022, 4th September 2022, entered into between the Company and the Debenture Trustees ("together referred as Trust Deeds").

Auditor's Responsibility

- 7 Our responsibility is to provide limited assurance as to whether anything has come to our attention that causes us to believe that:
- a) the particulars contained in the aforesaid Statement with respect to book value of asset charged against listed Debentures issued by the Company are not in agreement with the financial statements, books of accounts and other relevant records as at 31st December, 2022 maintained by the Company; and
 - b) the Company has not complied with all the financial covenants stipulated in the Trust Deed as on 31st March, 2023.
- 8 We conducted our examination of the Statement and Annexure A, on test basis, in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
- 9 Our scope of work did not include verification of compliance with any other requirement of other circulars and notifications issued by any regulatory authorities from time to time and any other laws and regulations applicable to the Company. Further, our scope of work did not involve performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company, taken as a whole. We have not performed an audit, the objective of which would be the expression of an opinion on the financial statements, of specified elements, accounts or items thereof for the purpose of this report. Accordingly, we do not express such an opinion.
- 10 We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements issued by the ICAI.
- 11 A limited assurance engagement includes performing procedures to obtain sufficient appropriate evidence on the applicable criteria. The procedures performed vary in nature and timing from, and are less extent than for, a reasonable assurance. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. The procedures selected depend on the auditor's judgement, including the assessment of the areas where a material misstatement of the subject matter information is likely to arise. For the purpose of this engagement, we have performed the following procedures:



Auditor's Responsibility (Continued)

- a. Obtained and read the relevant clauses of Trust Deeds in respect of the listed Debentures and noted the Security Cover required to be maintained by the Company in respect of such Debentures, as indicated in the Statement.
- b. Traced the principal amount of the Debentures outstanding as at 31st March, 2023, to the financial statements, the books of account and other relevant records maintained by the Company.
- c. Obtained and read the list of book debts charged as security in respect of the Debentures outstanding.
- d. Traced the value of book debts from the Statement to the financial statements, books of accounts and other relevant records maintained by the Company as at 31st March, 2023.
- e. Traced the security charged with register of charges maintained by the Company and 'Form No. CHG-9' filed with Ministry of Corporate Affairs ('MCA').
- f. Traced the value of charge created against the book debts to the Security Cover indicated in the Statement.
- g. Performed on test check basis the arithmetical accuracy of the computation of Security Cover indicated in the Statement.
- h. Compared the Security Cover with the requirements as per Trust Deed.
- i. With respect to compliance with covenants included in the Annexure A, we have performed following procedures:
 - i. Obtained list of applicable financials covenants, the computation of the financial covenants as at 31st March, 2023 and traced the figures included in such computation to the financial statements, books of accounts and other relevant records maintained by the Company.
 - ii. Compared the financial covenants referred above with the requirements stipulated in the Trust Deeds to verify whether such covenants comply with the requirements of the Trust Deeds.
 - iii. Performed necessary inquiries with the management regarding any instance of non-compliance with covenants or communications received from the Debenture Trustees indicating any breach of covenants during the half year ended 31st March, 2023.
- j. Performed necessary inquiries with the Management and obtained necessary representations.

Conclusion

- 12 Based on the procedures performed by us, as referred to in paragraph 11 above and according to the information and explanations received and management representations obtained, nothing has come to our attention that causes us to believe that:



Conclusion (Continued)

- a. the particulars contained in the aforesaid Statement with respect to book value of asset charged against listed Debentures issued by the Company are not in agreement with the financial statements, books of accounts and other relevant records as at 31st March, 2023 maintained by the Company; and
- b. the Company has not complied with all the financial covenants stipulated in the Trust Deed as on 31st March, 2023, except for the covenant breach in series C - FY 2020-21 and Tranche 3 of Series C - FY 2020-21, which has been remediated by redeeming these bonds prematurely

Other Matter

- 13 As per para 3.1 (a) of the circular no. SEBI / HO / MIRSD / MIRSD_CRADT/COR/P/ 2022/67 dated 19th May, 2022, we are required to certify the book value of the assets, hence, we have not verified market value provided in the Statement of Security Cover (i.e. from Column K to Column O) and accordingly we do not express any conclusion on the same.

Restriction on Use

- 14 Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Regulations. Our obligations in respect of this report are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have as statutory auditors of the Company or otherwise. Nothing in this report, nor anything said or done in the course of or in connection with the services that are the subject of this report, will extend any duty of care in connection with the statutory audit and other attest function carried out by us in our capacity as statutory auditors of the Company.
- 15 The Report has been issued at the request of the Company, solely in connection with the purpose mentioned in paragraph 3 above and to be submitted with the accompanying Statement and Annexure A to the Debenture Trustees and is not to be used or referred to for any other person. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For M M Nissim & Co LLP

Chartered Accountants

Firm Registration No: 107122W/W100672


Gayatri Sonavane

Partner

Membership No. 114049

UDIN: 23114049BGXMME8172



Mumbai

22nd May, 2023

Compliance of all Financial covenants/terms of the Issue in respect of listed debt securities of the Company

NCD Series	Financial Covenant	As of 31-March-23	Status
Series C - F.Y. 2020-21	1) The capital adequacy ratio (as defined in RBI NBFC Regulations) shall be equal to 20% or above at all points in time. 2) The cumulative Asset-Liability Mismatch should always be within the limits prescribed by RBI/Company's ALM Policy. 3) Asset Quality: Ratio of PAR-90 to Gross Loan Portfolio shall be 6% or lower.	1) 48.10% 2) Complied 3) 6.27%	While there has been breach in covenant of "Ratio of PAR-90 to Gross Loan Portfolio" The same has been remediated by redeeming these bonds prematurely
Tranche-3 of Series C - F.Y. 2020-21	1) The capital adequacy ratio (as defined in RBI NBFC Regulations) shall be equal to the regulatory requirement from time to time or above at all points in time during the tenor of the Debentures. 2) Asset Quality: Ratio of PAR-90 to Gross Loan Portfolio shall be 6% or lower 3) Debt equity ratio should be maintained below 4.00 during entire tenor of Debenture.	1) 48.10% 2) 6.27% 3) 1.03 times	While there has been breach in covenant of "Ratio of PAR-90 to Gross Loan Portfolio" The same has been remediated by redeeming these bonds prematurely.
Series E of F.Y. 2020-21	1) CRAR not to fall below 15% 2) Total Outside Liabilities / Total Net Worth to remain within 4x during the entire tenor of the MLD	1) 48.10% 2) 1.07 times	Complied
Series F of F.Y. 2020-21	1) CRAR not to fall below the prescribed RBI limits 2) Total Outside Liabilities / Total Net Worth to remain within 4x during the entire tenor of the MLD	1) 48.10% 2) 1.07 times	Complied
Series A of F.Y. 2021-22	1) CRAR not to fall below the prescribed RBI limits 2) Total Outside Liabilities / Total Net Worth to remain within 4x during the entire tenor of the MLD	1) 48.10% 2) 1.07 times	Complied
Series B of F.Y. 2021-22	1) CRAR not to fall below the prescribed RBI limits 2) Total Outside Liabilities / Total Net Worth to remain within 4x during the entire tenor of the MLD	1) 48.10% 2) 1.07 times	Complied
Series C 2024 (FY 2021-22)	1) The capital adequacy ratio (as defined in RBI NBFC Regulations) shall be equal to 20% or above at all points in time. 2) Cumulative Asset Liability mismatch should always be within the RBI limits defined from time to time. 3) Debt / Equity ratio will always be 3 times or less	1) 48.10% 2) Complied 3) 1.03 times	Complied
Series D 2023 (FY 2021-22)	1) CRAR not to fall below the prescribed RBI limits 2) Total Outside Liabilities / Total Net Worth to remain within 4x during the entire tenor of the MLD	1) 48.10% 2) 1.07 times	Complied

For Avendus Finance Private Limited



Sameer Kamath
(Chief Financial Officer)
22 May, 2023



AVENDUS FINANCE PRIVATE LIMITED
Statement of Security Cover as on 31st March 2023

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari-Passu Charge	Pari-Passu Charge	Pari-Passu Charge	Assets not offered as Security	Elimination (amount in negative)	(Total C to H)	Market Value for Assets charged on Exclusive basis	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assets	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value=(K+L+M+N)
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari-Passu charge (excluding items covered in column F)		debt amount considered more than once (due to exclusive plus pari passu charge)						
		Book Value	Book Value	Yes/No	Book Value	Book Value								
ASSETS														
Property, Plant and Equipment							18.56		18.56					
Capital Work-in-Progress							-		-					
Right of Use Assets							-		-					
Goodwill							-		-					
Intangible Assets							15.58		15.58					
Intangible Assets under Development							-		-					
Investments							24,397.38		24,397.38					
Loans	Represents loan net of provision. It consist only regular assets				98,370.39	24,429.12	-		122,799.51				122,799.51	22,799.51
Inventories									-					
Trade Receivables							156.70		156.70					
Cash and Cash Equivalents							3,801.51		3,801.51					
Bank Balances other than Cash and Cash Equivalents	Fixed Deposit	5,12,000					1,113.82		1,615.82	502.00			5,12,000	
Others							4,850.48		4,850.48					
Total		5,02,000			98,370.39	24,429.12	34,354.03		157,655.54		502.00		122,799.51	122,307.51
LIABILITIES														
Debt securities to which this certificate pertains		5,02,000		Yes	24,447.22			-5,020.00	24,447.22					
Other debt starting pari-passu charge with above debt				No	38,694.78	15,680.57			54,375.35					
Other Debt									-					
Subordinated debt									-					
Borrowings									-					
Bank									-					
Debt Securities									-					
Others									-					
Trade payables							1,285.26		1,285.26					
Lease Liabilities									-					
Provisions							233.09		233.09					
Others							1,123.33		1,123.33					
Total		5,02,000			63,142.00	15,680.57	2,641.68		-5,020.00	81,464.25				
Cover on Book Value														
Cover on Market Value														
	Exclusive Security Cover Ratio	100%		Pari-Passu Security Cover Ratio	1.56	1.56								1.56

Note:
1) Receivable under financing activities is part of the run-making book where loans are in the nature of held to maturity and created with a sole objective of collecting principle & interest. Therefore company has considered the carrying value for reporting in column N.
2) All the secured debenture holders and / or secured lenders, have a pari-passu charge over the loan receivables. For the purpose of reporting, the receivables has been bifurcated.

For Avendus Finance Private Limited


Sampat Kamath
(Chief Financial Officer)
Date: May 22, 2023



Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O	
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari-Passu Charge	Pari-Passu Charge	Pari-Passu Charge	Assets not offered as Security	Elimination (amount in negative)	(Total C to H)	Related to only those items covered by this certificate					
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari-Passu charge (excluding items covered in column F)		debt amount considered more than once (due to exclusive plus pari passu charge)	Market Value for Assets charged on Exclusive basis	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assets	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value(=K+L+M+N)		
		Book Value	Book Value	Yes/No	Book Value	Book Value									
ASSETS															
Property, Plant and Equipment							18.56		18.56					-	
Capital Work-in-Progress							-		-					-	
Right of Use Assets							-		-					-	
Goodwill							-		-					-	
Intangible Assets							15.58		15.58					-	
Intangible Assets under Development							-		-					-	
Investments							24,397.38		24,397.38					-	
Loans	Represents loan net of provision. It consist only regular assets.				98,370.39	24,429.12	-		122,799.51				122,799.51	122,799.51	
Inventories									-					-	
Trade Receivables							156.70		156.70					-	
Cash and Cash Equivalents							3,801.51		3,801.51					-	
Bank Balances other than Cash and Cash Equivalents	Fixed Deposit	502.00					1,113.82		1,615.82	502.00				502.00	
Others							4,850.48		4,850.48					-	
Total		-	502.00	-	-	98,370.39	24,429.12	34,354.03	-	157,655.54	-	502.00	-	122,799.51	123,301.51
LIABILITIES															
Debt securities to which this certificate pertains		5,020.00		Yes	24,447.22			-5,020.00	24,447.22						
Other debt sharing pari-passu charge with above debt				No	38,694.78	15,680.57			54,375.35						
Other Debt									-						
Subordinated debt									-						
Borrowings									-						
Bank									-						
Debt Securities									-						
Others									-						
Trade payables							1,285.26		1,285.26						
Lease Liabilities							-		-						
Provisions							233.09		233.09						
Others							1,123.33		1,123.33						
Total		5,020.00	-	-	63,142.00	15,680.57	2,641.68	-5,020.00	81,464.25						
Cover on Book Value															
Cover on Market Value															
	Exclusive Security Cover Ratio	10.00%		Pari-Passu Security Cover Ratio	1.56	1.56								1.56	

Note

1) Receivable under financing activities is part of the non-trading book where loans are in the nature of held to maturity and created with a sole objective of collecting principle & interest. Therefore company has considered the carrying value for reporting in column N
2) All the secured debenture holders and / or secured lenders, have a pari-passu charge over the loan receivables. For the purpose of reporting, the receivables has been bifurcated.

For Avendus Finance Private Limited

Sameer Kamath
(Chief Financial Officer)
Date : May 22, 2023

This pdf is soft copy of the Security Cover as on March 31, 2023 as the scanned signed copy of the same is not legible.

May 22, 2023

BSE Limited
General Manager
Department of Corporate Services
Floor 25, Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400 001

Scrip Code: 959884, 960488, 973281, 973375, 973644 & 973771

Sub: Disclosure pursuant to Regulation 52(7) and Regulation 52(7A) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")

Dear Sir / Madam,

Pursuant to the provisions of Regulation 52(7) and Regulation 52 (7A) of SEBI Listing Regulations read with SEBI Operational Circular SEBI/HO/DDHS/DDHS — Div1/P/CIR/2022/0000000103 dated 29 July 2022 (updated as on December 01, 2022), we hereby state that the proceeds of the Non-Convertible Debentures ("NCDs") issued by the Company and listed on BSE Limited have been fully utilised for the purpose for which these proceeds were raised and there are no material deviations in the utilizations of such proceeds.

Further, no listed NCDs were issued and allotted by the Company during the quarter ended March 31, 2023.

The said confirmation is enclosed as Annexure 'A' in the format as specified under Chapter IV of the SEBI Operational Circular dated July 29, 2022. The same has been reviewed by the Audit Committee of the Company at its meeting held on May 22, 2023.

Request you to take the above information on record.

Thanking You,

Yours faithfully,

For **Avendus Finance Pvt. Ltd.**

Rajendra Rana
Authorised Signatory

Annexure A

A. Statement of utilization of issue proceeds

Name of the Issuer	ISIN	Mode of Fund Raising (Public issue / Private Placement)	Type of instrument	Date of raising funds	Amount Raised	Funds utilized	Any deviation (Yes/No)	If 8 is Yes, then specify the purpose of for which the funds were utilized	Remarks, if any
1	2	3	4	5	6	7	8	9	10
Not Applicable as no funds were raised during the quarter ended March 31, 2023									

B. Statement of deviation / variation use of Issue proceeds:

Particulars	Remarks
Name of listed entity	Avendus Finance Private Limited
Mode of Fund Raising	NA
Type of instrument	NA
Date of Raising Funds	NA
Amount Raised	NIL
Report filed for quarter ended	March 31, 2023
Is there a Deviation / Variation in use of funds raised ?	NA
Whether any approval is required to vary the objects of the issue stated in the prospectus/ offer document?	NA
If yes, details of the approval so required?	NA
Date of approval	NA
Explanation for the Deviation / Variation	NA
Comments of the audit committee after review	No Comments were provided by Audit Committee
Comments of the auditors, if any	NA

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

Original Object	Modified Object, if any	Original Allocation	Modified allocation, if any	Funds Utilised	Amount of Deviation / Variation for the quarter according to applicable object (INR Crores and in %)	Remarks, if any
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Not Applicable, since there was no issuance of NCDs during the quarter ended March 31, 2023 and therefore no deviation in the utilisation of funds from the objects stated in the offer documents

Deviation could mean:

1. Deviation in the objects or purposes for which the funds have been raised.
2. Deviation in the amount of funds actually utilized as against what was originally disclosed

Name of Signatory: Rajendra Rana

Designation: Authorised Signatory

Date: May 22, 2023