

**18<sup>TH</sup> ANNUAL REPORT**

**FOR**

**FY 2022 – 23**

**DEUTSCHE INVESTMENTS INDIA PRIVATE LIMITED**

## COMPANY INFORMATION

### BOARD OF DIRECTORS

Mr. Manu Sharma, *Chairman*  
Mr. Ramaswami Krishnakumar  
Ms. Anjallee Paatil  
Mr. Abhishek Bansal

### AUDIT COMMITTEE

Mr. Manu Sharma, *Chairman*  
Mr. Ramaswami Krishnakumar  
Ms. Anjallee Paatil  
Mr. Abhishek Bansal

### RISK MANAGEMENT COMMITTEE

Mr. Manu Sharma, *Chairman*  
Mr. Ramaswami Krishnakumar  
Ms. Anjallee Paatil  
Mr. Abhishek Bansal

### NOMINATION COMMITTEE

Ms. Anjallee Paatil, *Chairperson*  
Mr. Manu Sharma  
Mr. Ramaswami Krishnakumar  
Mr. Abhishek Bansal

### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Manu Sharma, *Chairman*  
Mr. Ramaswami Krishnakumar  
Ms. Anjallee Paatil  
Mr. Abhishek Bansal

### COMPANY SECRETARY

Mr. Bharat Gangani  
(appointed w.e.f. 11<sup>th</sup> February, 2023)

### AUDITORS

**Statutory Auditors:**  
M/s. Borkar & Muzumdar  
Chartered Accountants, Mumbai

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### REGISTERED OFFICE

Block B1, Nirlon Knowledge Park  
Western Express Highway  
Goregaon (E), Mumbai 400 063  
Email: [Corporatesec.India@db.com](mailto:Corporatesec.India@db.com)  
CIN No.: U65923MH2005PTC153486

### REGISTRAR AND TRANSFER AGENT

NSDL Database Management Limited  
4<sup>th</sup> Floor, A Wing, Trade World,  
Kamala Mills Compound,  
Senapati Bapat Marg,  
Lower Parel, Mumbai- 400013  
Tel: 022 49142700  
Fax: 022 49142503  
Email: [nileshb@nsdl.co.in](mailto:nileshb@nsdl.co.in)

### 18<sup>TH</sup> ANNUAL GENERAL MEETING

On Thursday, September 7, 2023  
At 10.00 a.m. at Dandeli Meeting Room, 14<sup>th</sup> Floor, The  
Capital, C-70, G Block, Bandra Kurla Complex, Mumbai -  
400051

### DEBENTURE TRUSTEES

Catalyst Trusteeship Limited  
(formerly GDA Trusteeship Limited)  
Windsor, 6<sup>th</sup> Floor, Office No. 604,  
C.S.T. Road, Kalina,  
Santacruz (East),  
Mumbai – 400 098  
Tel: 022 4922 0555  
Fax: 022 4922 0505  
Email: [dt@ctltrustee.com](mailto:dt@ctltrustee.com)



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Western Express Highway  
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Fax + 91 (22) 7180 3799

## NOTICE OF EIGHTEENTH ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Eighteenth Annual General Meeting of Deutsche Investments India Private Limited (the Company) will be held on Thursday, September 7, 2023 at 10:00 A.M. IST at Dandel Meeting Room, 14<sup>th</sup> Floor, The Capital, C-70, G Block, Bandra Kurla Complex, Mumbai- 400051 to transact the following business: -

### ORDINARY BUSINESS

1. To receive, consider and if thought fit, adopt the Audited Balance Sheet of the Company as at March 31, 2023; the Audited Statement of Profit and Loss of the Company for the year ended on that date along with the Schedules and Notes annexed thereto together with Reports of the Auditor's and the Directors' thereon.
2. To confirm the dividend of INR 1.78/- per share on 5,28,85,000 Equity Shares of INR 10/- (Rupees Ten only) of the Company paid for the Financial Year 2022-23.

### SPECIAL BUSINESS

3. To consider, and if thought fit pass, with or without modification, the following resolution as an Ordinary Resolution for appointment of Mr. Manu Sharma (DIN: 09744923) as a Director of the Company:

**"RESOLVED THAT** pursuant to the provisions of Section 161 of the Companies Act 2013 read with the Articles of Association of the Company, Mr. Manu Sharma (DIN: 09744923), who was appointed as an Additional Director of the Company with effect from October 27, 2022 to hold office up to the date of this Annual General Meeting, be and is hereby appointed as a Director of the Company in accordance with provisions of Section 152 read with the Articles of Association of the Company.

**RESOLVED FURTHER THAT** any one of the Directors or the Company Secretary of the Company be and are hereby severally authorized to execute and arrange submission of the e-filing of Form No. DIR-12 with the Registrar of Companies in relation to the said appointment and to take all such actions as may be necessary in this regard."

4. To consider, and if thought fit pass, with or without modification, the following resolution as an Special Resolution for alteration of Articles of Association of the Company:

**"RESOLVED THAT** pursuant to the provisions of Section 5, 14 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as 'the Act'), read with the applicable rules framed thereunder (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force) and in accordance with the provisions of



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Regulation 23(6) of the SEBI (Issue and Listing of Non-Convertible Securities) Regulation, 2021 read with Regulation 15(1)(e) of the SEBI (Debenture Trustees) Regulations, 1993, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force) and subject to receipt of approval from such statutory authority as may be deemed essential and to the extent necessary, consent of the members of the Company be and is hereby accorded to alter the Articles of Association ('AoA') of the Company by way of insertion of the following clause 54A post existing clause 54 to Chapter XI of AOA of the Company:

*"Pursuant to the provisions of Regulation 23(6) of the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Company shall appoint as a Director on the Board of the Company / remove and appoint another Director in his place or in the place of a Director so appointed who resigns, a person as may be nominated by the Debenture Trustee(s) in terms of Regulation 15(1)(e) of the SEBI (Debenture Trustees) Regulations, 1993. Any such appointment/ removal shall be made in writing, signed by the authorized signatory of the Debenture Trustee(s) and served at the office of the Company."*

**RESOLVED FURTHER THAT** for the purpose of effectiveness of this resolution, any one of the Director on the Board of the Company or the Company Secretary of the Company be and is hereby severally authorized to do all such acts, deeds, matters, things as may be deemed necessary, proper, expedient, desirable including but not limited to:

- i. finalize, settle and execute such document(s)/ deed(s)/ writing(s)/ paper(s)/ agreement(s), as may be deemed fit in this regard;
- ii. filing of such necessary e-forms with the office of Registrar of Companies, Maharashtra, Mumbai in connection with or otherwise in relation to the aforesaid amendment of the Articles of Association of the Company;
- iii. issue/ furnish a Certified True Copy of this resolution under their signature (by hand or digitalized) to such concerned persons/ parties/ authorities, as may be deemed fit, from time to time and they be requested to act accordingly."

By order of the Board of Directors  
For **DEUTSCHE INVESTMENTS INDIA PRIVATE LIMITED**

ANJALLEE  
JAYPAL PAATIL

Digitally signed by  
ANJALLEE JAYPAL PAATIL  
Date: 2023.08.10 16:04:43  
+05'30'

**Anjallee Jaypal Paatil**  
**Director**  
**DIN: 00643278**



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Dated this **August 10, 2023**

Place: Mumbai

**REGISTERED OFFICE:**

Block B1, Nirlon Knowledge Park  
Western Express Highway  
Goregaon (E), Mumbai 400 063

**CIN:** U65923MH2005PTC153486

**Tel No.** 022- 7180 3786

**Email ID:** Corporatesec.India@db.com



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**Notes:**

1. **A member entitled to attend and vote at the Annual General Meeting ('the Meeting') is entitled to appoint, one or more proxies, to attend and vote on a poll instead of himself and the proxy need not be a member of the Company.**
2. A person can be appointed as proxy for maximum 50 members holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy for his entire shareholding and such person shall not act as a proxy for any other person or shareholder.
3. The instrument appointing the proxy should, be deposited at the registered office of the Company not less than 48 hours before the commencement of the Meeting. Proxy Form in Form MGT-11 is annexed hereto.
4. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
5. Shareholders/ Proxy (ies) are requested to submit the duly filled in and signed Attendance Slip at the entrance of the venue of the Meeting. Form of Attendance Slip is annexed hereto.
6. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to Special Businesses to be transacted at the Meeting is annexed hereto.
7. Relevant documents referred to in the accompanying Notice and Explanatory Statement along with the Register of Directors and Key Managerial Personnel and their shareholding and the Register of contracts or arrangements in which directors are interested are open for inspection by the members at the Registered Office of the Company on all working days during business hours up to and including the date of the Meeting.
8. The route map for reaching the venue of the Meeting is annexed hereto.



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**Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 ('the Act')**

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

**Item No. 3: Appointment of Mr. Manu Sharma (DIN: 09744923), as a Director of the Company**

Mr. Manu Sharma (DIN: 09744923), was appointed as an Additional Director of the Company with effect from October 27, 2022 to hold office up to the date of this Annual General Meeting and is eligible for being appointed as a Director of the Company.

Pursuant to the provisions of Section 152 of Companies Act, 2013, the Company is required to seek the approval of the shareholders for the appointment of Mr. Manu Sharma to the office of Director of the Company.

Apart from Mr. Manu Sharma, none of the persons specified in Section 102 of the Companies Act, 2013 namely the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item No. 3 of the Notice.

The Board recommends the resolution related to appointment of Mr. Manu Sharma as a Director of the Company for approval by the shareholders of the Company.

As required by Secretarial Standards-2, disclosures pertaining to the appointment of director of the Company are as under:

|  |   |
|--|---|
| Name of the Director                   | Mr. Manu Sharma   |
| Date of Birth                          | 18/05/1978  |
| Date of Appointment on the Board       | October 27, 2022  |
| Qualifications                         | - Chartered Accountant, ICAI<br>- CAIIB, Indian Institute of Banking<br>- DISA, ICAI<br>- BCom (Hons) – Delhi university  |
| Experience and nature of his expertise | Banking professional with more than 20 years of experience in BFSI sector. Managing a team of 15 across legal entities (Bank/NBFC) with core expertise in handling complex operations, Internal audit & compliance, Operational Risk management, Business Process Evaluation, |



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|  |   |
|--|---|
|  | Outsourcing Governance & Project Management.  |
| Terms/Conditions of appointment  | As approved by the board and as per the provisions of the Companies Act, 2013 and rules made thereunder |
| Details of remuneration sought to be paid  | NIL in the capacity of Non-Executive Director   |
| Remuneration last drawn  | NIL in the capacity of Non-Executive Director   |
| Shareholding in the Company  | NIL   |
| Relationship with other Directors and Key Managerial Personnel   | Not Applicable  |
| Number of meetings of Board attended during the financial year 2022-23   | Two   |
| Directorship held in other Public Company as on March 31, 2023   | None  |
| Other Chairmanships/ Memberships of Committees of Companies that he is director of (other than Deutsche Investments India Private Ltd) | None  |

**Item No. 4: Alteration of Articles of Association of the Company**

Members may note that in accordance with the provisions of Regulation 23(6) of the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular SEBI/HO/DDHS/POD1/P/CIR/2023/112 dated July 04, 2023 and Chapter XXIII of the SEBI Circular SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated August 10, 2021, an Issuer Company having its Non-Convertible Security listed on any of the Stock Exchange is required to have a provision in its Articles of Association (AOA) with respect to the requirement for the Board of Directors (“the Board”) to appoint such person as may be nominated by the Debenture Trustee (DT) in terms of Regulation 15(1)(e) of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, which grants a power to the DT to appoint a nominee director on the Board of the company in the event of:

- i. two consecutive defaults in payment of interest to the debenture holders; or
- ii. default in creation of security for debentures; or
- iii. default in redemption of debentures.

The Company being a debt listed Company having its Non-Convertible Debentures (“NCDs”) listed on the National Stock Exchange of India Limited (“NSE”) is required to have its AOA altered accordingly in





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accordance with the provisions of the aforesaid SEBI Regulations and circulars issued thereunder. Hence, it is proposed to alter the AOA of the Company by way of insertion of the following clause 54A post existing clause 54 to Chapter XI of AOA of the Company:

*“Pursuant to the provisions of Regulation 23(6) of the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Company shall appoint as a Director on the Board of the Company / remove and appoint another Director in his place or in the place of a Director so appointed who resigns, a person nominated by the Debenture Trustee(s) in terms of Regulation 15(1)(e) of the SEBI (Debenture Trustees) Regulations, 1993. Any such appointment/ removal shall be made in writing, signed by the authorized signatory of the Debenture Trustee(s) and served at the office of the Company.”*

Further, in terms of the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 read with the rules frames thereunder (including any statutory modification(s)/ amendment(s)/ re-enactment(s) thereof for the time being in force), the aforesaid alteration proposed to the AOA of the Company shall require members' approval by way of passing a Special Resolution at the meeting of members of the Company.

None of the persons specified in Section 102 of the Companies Act, 2013 namely the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item No. 3 of the Notice.

The Board recommends the resolution set out at Item No. 4 as a Special Resolution for approval by the members of the Company.

By order of the Board of Directors  
For **DEUTSCHE INVESTMENTS INDIA PRIVATE LIMITED**

ANJALLEE  
JAYPAL  
PAATIL

Digitally signed by  
ANJALLEE JAYPAL  
PAATIL  
Date: 2023.08.10  
16:05:20 +05'30'

**Anjallee Jaypal Paatil**  
**Director**  
**DIN: 00643278**

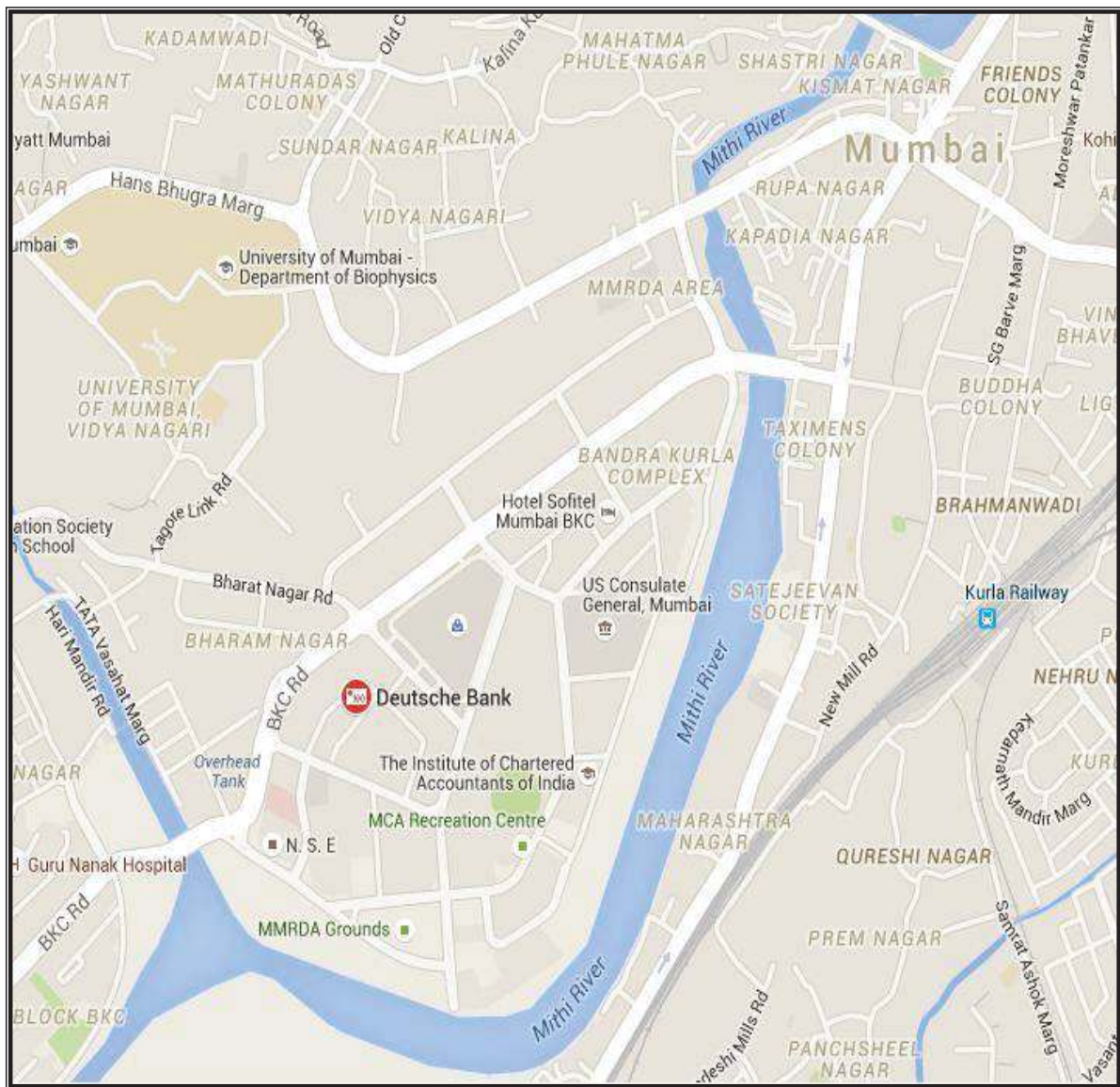
**Dated this August 10, 2023**  
**Place: Mumbai**



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**ROUTE MAP FOR THE VENUE OF THE EIGHTEENTH ANNUAL GENERAL MEETING OF THE  
SHAREHOLDERS OF DEUTSCHE INVESTMENTS INDIA PRIVATE LIMITED**



**LANDMARK – Near ICICI Bank**



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**FORM NO. MGT – 11**  
**PROXY FORM**

[Pursuant to Section 105 (6) of the Companies Act, 2013 read with Rule 19 (3) of the Companies  
(Management and Administration) Rules, 2014]

|                        |  |
|------------------------|--|
| Name of the Member(s): |  |
| Registered address:    |  |
| E-mail Id:             |  |
| Folio No./ Client ID:  |  |
| DP ID:                 |  |

I/ We being the member(s) holding \_\_\_\_\_ shares of the Company Deutsche Investments India Private Limited hereby appoint:

1. Name:

\_\_\_\_\_

Address:

\_\_\_\_\_

E-mail Id:

\_\_\_\_\_

Signature: \_\_\_\_\_ or failing him/her;

2. Name:

\_\_\_\_\_

Address:

\_\_\_\_\_

E-mail Id:

\_\_\_\_\_

Signature: \_\_\_\_\_ or failing him/her;



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3. Name:

\_\_\_\_\_

Address:

\_\_\_\_\_

E-mail Id:

\_\_\_\_\_

Signature: \_\_\_\_\_ or failing him/her;

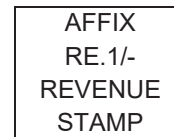
as my/ our proxy to attend and vote (on a poll) for me/ us and on my/our behalf at the **Eighteenth Annual General Meeting** of the Company to be held on Thursday, September 7, 2023 at 10:00 A.M. IST at Dandeli Meeting Room, 14<sup>th</sup> Floor, The Capital, C-70, G Block, Bandra Kurla Complex, Mumbai- 400051 and at any adjournment thereof in respect of resolutions, as indicated below:

- 1) Adoption of the Audited Balance Sheet of the Company as at March 31, 2023; the Audited Statement of Profit and Loss of the Company for the year ended on that date along with the Schedules and Notes annexed thereto together with Reports of the Auditor's and the Directors' thereon.
- 2) Confirm the dividend of INR 1.78/- per share on 5,28,85,000 Equity Shares of INR 10/- (Rupees Ten only) of the Company paid for the Financial Year 2022-23.
- 3) Appointment of Mr. Manu Sharma (DIN: 09744923) as a Director of the Company.
- 4) Alteration of Articles of Association of the Company.

Signed this ..... day of ....., 2023.

Signature of shareholder(s): \_\_\_\_\_

Signature of Proxy holder(s): \_\_\_\_\_



Note: Proxy form to be effective, should be submitted at the Registered Office of the Company not less than 48 (forty-eight) hours before the commencement of aforesaid Annual General Meeting.



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**ENTRANCE PASS/ ATTENDANCE SLIP  
FOR THE EIGHTEENTH ANNUAL GENERAL MEETING  
(To be presented at the entrance)**

I/We certify that I am a shareholder/Proxy for the shareholder of the Company.

I/We hereby record my/our presence at the Eighteenth Annual General Meeting of the Company held on Thursday, September 7, 2023 at 10:00 A.M. IST at Dandeli Meeting Room, 14<sup>th</sup> Floor, The Capital, C-70, G Block, Bandra Kurla Complex, Mumbai- 400051 and/or any adjournment thereof.

|  |  |
|--|--|
| Name(s) of member(s)<br>(including joint-holders, if any)                                |  |
| Registered address of the<br>sole/first named shareholder                                |  |
| Registered Folio No./ Client<br>ID   |  |
| DP ID<br><i>Applicable to shareholders<br/>holding shares in<br/>dematerialized form</i> |  |
| No. of shares held   |  |

**Name of the Shareholder/ Proxy**.....

**Signature of the Shareholder/ Proxy present** .....



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## DIRECTORS' REPORT

To  
The Members,  
Deutsche Investments India Private Limited

Your Directors have pleasure in presenting the Eighteenth Annual Report of Deutsche Investments India Private Limited ("**the Company**") together with the Audited Statement of Accounts for the financial year ended 31<sup>st</sup> March, 2023.

### 1. FINANCIAL STATEMENTS & RESULTS:

#### a. Financial Results:

The Company's performance during the financial year ended 31<sup>st</sup> March, 2023 as compared to the previous financial year, is summarized below:

(INR in millions)

| Particular                       | For the financial year ended 31 <sup>st</sup> March, 2023 | For the financial year ended 31 <sup>st</sup> March, 2022 |
|----------------------------------|---|---|
| Income                           | 1,569.73  | 1,616.20  |
| Less: Expenses                   | (1,433.48)  | (1,361.20)  |
| <b>Profit/ (Loss) before tax</b> | <b>136.25</b>   | <b>255.00</b>   |
| Less: Provision for tax          | 37.53   | 66.24   |
| <b>Profit after Tax</b>          | <b>98.72</b>  | <b>188.76</b>   |

#### Appropriation of Statement of Profit and Loss:

(INR in million)

|  | For the financial year ended 31 <sup>st</sup> March, 2023 | For the financial year ended 31 <sup>st</sup> March, 2022 |
|--|---|---|
| Opening Balance  | 152.12  | 174.38  |
| Add: Total Comprehensive Income for the year                   | (0.20)  | 0.02  |
| Add: Profit for the current year                               | 98.72   | 188.76  |
| Less: Transfer to Statutory Reserves 45IC of the RBI Act, 1934 | (19.74)   | (37.75)   |
| Less: Impairment Reserve                                       | (136.47)  | (1.41)  |
| Less: Interim Dividend paid on Equity Shares                   | (94.14)   | (171.88)  |
| Less: Tax on distribution of dividend                          | -   | -   |
| <b>Balance carried to Balance sheet</b>                        | <b>0.29</b>   | <b>152.12</b>   |

**b. Operations:**

Your Company is engaged in the business of Lending, Investment Advisory and Portfolio Management Services (PMS). With rising economic prosperity and wealth creation, Company has increased its focus on Loans to High Networth Individuals (HNI) and their entities by way of loan against shares, mutual funds, promoter financing etc. Lending business has recovered while Investment Advisory and PMS clocked a steady growth during FY 2022-23. New initiatives are being explored in the area of lending, investment advisory and Portfolio Management Services (PMS). Business outlook has improved with reducing inflation and expected lowering of the interest rates in future.

Detailed information has been provided in the Management Discussion and Analysis Report as attached with this Report.

**c. Change in Nature of Business of the Company**

There was no change in the nature of the business of the Company during the year under review.

**d. Report on performance of Subsidiaries, Associates or joint venture companies:**

During the year under review, your Company did not have any subsidiary, associate or joint venture company.

The Company however continues to be a Holding Company of Deutsche Asia Pacific Pte Ltd.

**e. Dividend:**

During the year under review, the Board declared and paid Dividend only once, in the form of Interim Dividend referred to as the "1<sup>st</sup> Interim Dividend" of INR 1.78 per share on 5,28,85,000 Equity shares of INR 10/- (Indian Rupees Ten only) each of the Company resulting in a Cash Outflow of INR 94,135,300/- (Indian Rupees Nine Crores Forty-One Lakhs Thirty Five Thousand and Three Hundred only).

The aforesaid is proposed to be approved by the Shareholders at the ensuing Annual General Meeting of the Company.

**c. Share Capital of the Company:**

During the year under review, there has been no change in the Authorized as well as the Paid-up Share Capital of the Company.

The Company has only class of issued, subscribed and paid-up share referred to as equity shares having Face Value of INR 10/- (Indian Rupees Ten only) each.

As on March 31, 2023 the Share Capital of the Company stood as follows:

**Authorized Capital:**

INR 55,00,00,000/- (Indian Rupees Fifty-Five Crores only) divided into 5,50,00,000 (Five Crores Fifty Lakhs) equity shares of face value of INR 10/- (India Rupees Ten only) each.



**Issued, Subscribed and Paid-up Capital:**

INR 5,28,850,000 (Indian Rupees Fifty-Two Crores Eighty-Eight Lakhs Fifty Thousand only) divided into 52,885,000 (Five Crores Twenty-Eight Lakhs Eight Five Thousand) equity shares of face value of INR 10 (Rupees Ten only) each, fully paid up.

**f. Debentures:**

Your Company has issued listed, rated, unsecured, redeemable, 6.05% non-convertible debentures of face value of INR 10,00,000 (Rupees Ten Lakh) each aggregating to an amount of INR 30,00,00,000 (Rupees Thirty Crores) on 30<sup>th</sup> June, 2021 through private placement, which were redeemed by the Company on 30<sup>th</sup> June, 2023 in accordance with the terms of the issue..

The Company had further issued listed, rated, unsecured, redeemable, non-convertible debentures of face value of INR 10,00,000 (Rupees Ten Lakh) each aggregating to an amount of INR 70,00,00,000 (Rupees Seventy Crores) on 10<sup>th</sup> July, 2023 through private placement.

The securities are currently listed on the debt platform of the National Stock Exchange of India Limited.

**g. Transfer to Reserves:**

20% of the profit of the current year amounting to INR 19.74 million was transferred to Statutory Reserves as per the requirement of the Section 45IC of RBI Act, 1934.

As required under the RBI circular DOR. (NBFC). CC.PD.No.106/2019-20 dated 31<sup>st</sup> March, 2020, a new reserve titled Impairment Reserve has been created and an amount of INR 136.47 million has been transferred out of the profit and loss for the year.

The balance amount of profit for the year under review has been carried forward to the Statement of Profit and Loss.

**h. Deposits:**

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act, 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014, as amended from time to time, during the year under review. Hence, the requirement for furnishing of details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

**i. Disclosures under Section 134(3)(l) of the Act:**

Except as disclosed elsewhere in this report, there were no material changes and/ or commitments, having an impact/ Significant impact on the financial position of the Company from the end of the financial year, to which this report pertains, till the date of this report.

**j. Revision of Financial Statements:**

During the year under review, no changes were made to previous years' Financial Statements and/ or the Board's Report.



**k. Disclosure of Orders passed by Regulators or Courts or Tribunal:**

No orders have been passed by any Regulator or Court or Tribunal which can have any impact on the going concern status and operations of the Company in future.

**l. Particular of Contracts or Arrangement with Related Parties:**

The transactions/contracts/arrangements entered into by the Company with related party(ies) defined under the provisions of Section 2(76) of the Act, during the year under review were in the ordinary course of business and were transacted at arm's length.

The details of such transactions/ contracts/ arrangements pertaining to the year under review have been set out as **Annexure-I** of this report in the format as prescribed under the Companies (Accounts) Rules, 2014.

**m. Particulars of Loans, Guarantees, Investments and Securities:**

The disclosure of particulars of loans and guarantees is not applicable to the Company by virtue of exemption to NBFC under section 186(11) of the Act.

The particulars of investments made during the year under review are set out in **Annexure II** of this report.

**n. Credit Rating:**

As at 31<sup>st</sup> March 2023, following are the credit ratings assigned to the Company for its borrowings:

- **Unsecured listed NCDs:** 'IND AAA'/Stable by India Ratings and Research Pvt. Ltd.
- **Commercial Papers:** CRISIL A1+ by CRISIL Ratings Limited and [ICRA] A1+ by ICRA Limited

**2. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

The following disclosures are being made in conformity with the provisions of Section 134(3) of the Act read with rule 8 of the Companies (Accounts) Rules, 2014.

**a. Board of Directors:**

The constitution of Board of Directors of Company is in accordance with the provisions of Section 149 of the Act as amended from time to time.

As on March 31, 2023, the Board comprises of the following Directors:

| <b>Sr. No.</b> | <b>Board Composition</b>    | <b>DIN</b> | <b>Designation</b>     |
|----------------|-----------------------------|------------|------------------------|
| 1.             | Mr. Manu Sharma             | 09744923   | Non-Executive Chairman |
| 2.             | Mr. Ramaswami Krishnakumar  | 07612626   | Non-Executive Director |
| 3.             | Ms. Anjallee Jayapal Paatil | 00643278   | Non-Executive Director |
| 4.             | Mr. Abhishek Bansal         | 09468755   | Non-Executive Director |

The following changes took place in the composition of the Board of Directors of the Company:

- a. Mr. Abhishek Bansal (DIN: 09468755) was appointed as an Additional Director on the Board of the Company with effect from 10<sup>th</sup> May, 2022. Subsequently, the shareholders

at their 17<sup>th</sup> Annual General Meeting held on 28<sup>th</sup> September 2022, approved the appointment of Mr. Abhishek Bansal (DIN: 09468755) as a Director on the Board of the Company.

- b. Effective from October 27, 2022, Mr. Atin Kumar Saha (DIN: 06901962) ceased to act as the Chairman & a Director on the Board of the Company post tendering of his resignation on account of certain other pre-occupations. The Board placed on record its sincere appreciation for the services rendered by Mr. Saha during his tenure as the Chairman & a Director on Board of the Company
- c. Mr. Manu Sharma (DIN: 09744923) was appointed as the Non-Executive Chairman and an Additional Director on Board of the Company w.e.f. October 27, 2022 to hold office upto the date of the ensuing 18<sup>th</sup> Annual General Meeting of the Company. Pursuant to Section 161 of the Act, the term of office of Mr. Sharma, as an Additional Director, expires at the ensuing i.e., the 18<sup>th</sup> AGM of the Company. The resolution proposing his appointment as a Director on the Board of the Company, in accordance with the provisions of Section 152 of the Act, forms part of the Notice of the ensuing 18<sup>th</sup> AGM of the Company to be transacted as an Item of Special business.

**b. Key Managerial Personnel:**

As on date of this report, the following changes took place in the Key Managerial Personnel of the Company:

- a. Mr. Vinay Girish Bajpai (PAN: AABPB5914D) was appointed as Chief Executive Officer of the Company w.e.f. 18<sup>th</sup> December, 2022.
- b. Mr. Sushil Kumar Bang (ACS: 17943) resigned as the Company Secretary of the Company w.e.f. the closure of business hours of 31<sup>st</sup> May, 2022. The Board placed on record its sincere appreciation for the services rendered by Mr. Sushil Kumar Bang during his tenure as Company Secretary of the Company.
- c. Ms. Aayushi Sharda (ACS:57633) was appointed as the Company Secretary of the Company w.e.f. 1<sup>st</sup> June, 2022, then resigned as Company Secretary of the Company w.e.f. the closure of business hours of 10<sup>th</sup> February, 2023. The Board places on record its sincere appreciation for the services rendered by Ms. Sharda during her tenure as Company Secretary of the Company.
- d. Mr. Bharatkumar Becharbhai Gangani (ACS:51420) was appointed as Company Secretary of the Company w.e.f. the opening of business hours of 11<sup>th</sup> February, 2023.

Apart from the above, there were no other changes in the Board of Directors or Key Managerial Personnel during the year under review.

**3. DISCLOSURES RELATED TO BOARD, COMMITTEES OF BOARD AND POLICIES:**

**a. Board Meetings:**

During the year under review and in accordance with the provisions of the Act and rules framed thereunder, the Board of the Company met 5 (Five) times i.e., on:

- i. 20<sup>th</sup> April, 2022;
- ii. 30<sup>th</sup> May, 2022;
- iii. 11<sup>th</sup> August, 2022;
- iv. 7<sup>th</sup> November, 2022; and
- v. 10<sup>th</sup> February, 2023

**b. Director's Responsibility Statement:**

In terms of Section 134(5) of the Act, in relation to the audited financial statements of the Company for the year ended 31<sup>st</sup> March, 2023, the Board of Directors on the basis of a certificate received from the Management, hereby confirms that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed and there were no material departures from the same;
- b. such accounting policies have been selected and applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the profit and loss of the Company for that year;
- c. proper and sufficient care was taken 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;
- d. the annual accounts of the Company have been prepared on a going concern basis;
- e. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**c. Risk Management Policy:**

The Board of Directors of the Company has designed a Risk Management Policy and Guidelines to avoid events, situations or circumstances which may lead to negative consequences on the Company's businesses, and has also defined a structured approach to manage uncertainty and to make use of these in their decision making pertaining to all business divisions and corporate functions. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews.

**d. Corporate Social Responsibility Committee:**

In accordance with the provisions of Section 135 of the Act read with Companies (Corporate Social Responsibility) Rules, 2014, as amended from time to time, the Board of Directors of Company have duly constituted the Corporate Social Responsibility (hereinafter referred to as "CSR") Committee of the Company.

As on March 31, 2023, the CSR Committee of the Board comprises of the following members:

| <b>Sr. No.</b> | <b>Committee Composition</b> | <b>DIN</b> | <b>Designation</b> |
|----------------|------------------------------|------------|--------------------|
| 1.             | Mr. Manu Sharma              | 09744923   | Chairman & Member  |
| 2.             | Mr. Ramaswami Krishnakumar   | 07612626   | Member             |
| 3.             | Ms. Anjallee Jayapal Paatil  | 00643278   | Member             |
| 4.             | Mr. Abhishek Bansal          | 09468755   | Member             |

The following changes took place in the composition of the CSR Committee:

- a) Mr. Abhishek Bansal was appointed as an Additional Director on the Board of the Company as well a Member of the CSR Committee of the Company w.e.f. 10<sup>th</sup> May, 2022.
- b) Mr. Atin Kumar Saha (DIN: 06901962) resigned as a Director and consequently as a Chairman & Member of the CSR Committee w.e.f 27<sup>th</sup> October, 2022.
- c) Mr. Manu Sharma (DIN: 09744923) was appointed as an Additional Director on the Board of the Company as well as Chairman & Member of the CSR Committee of the Company w.e.f. 27<sup>th</sup> October, 2022.

The Committee met twice during the year under review i.e. on 30<sup>th</sup> May, 2022 and 11<sup>th</sup> August, 2022.

All recommendation made by the CSR Committee (whether at its meeting or through resolution passed by Circulation) were approved by the Board.

The brief outline of the Corporate Social Responsibility ('CSR') Policy of the Company, and the initiatives undertaken by the Company on CSR activities during the Financial Year under review are set out in **Annexure-III** of this Report in the format as prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

**e. Nomination Committee:**

Pursuant to the "Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015 issued by the Reserve Bank of India vide Notification No.DNBR.019/CGM (CDS)-2015 dated 10<sup>th</sup> April, 2015, the Company is required to constitute a Nomination Committee of the Board of Directors of the Company having the same powers, functions and duties as laid down in Section 178 of the Act.

As on March 31, 2023, the Nomination Committee of the Board comprises of the following members:

| Sr. No. | Committee Composition       | DIN      | Designation       |
|---------|-----------------------------|----------|-------------------|
| 1.      | Ms. Anjallee Jayapal Paatil | 00643278 | Chairman & Member |
| 2.      | Mr. Ramaswami Krishnakumar  | 07612626 | Member            |
| 3.      | Mr. Abhishek Bansal         | 09468755 | Member            |
| 4.      | Mr. Manu Sharma             | 09744923 | Member            |

The following changes took place in the composition of the Nomination Committee:

- a) Mr. Abhishek Bansal was appointed as an Additional Director on the Board of the Company as well a Member of the Nomination Committee of the Company w.e.f. 10<sup>th</sup> May, 2022.
- b) Mr. Atin Kumar Saha (DIN: 06901962) resigned as a Director and consequently as a Member of the Nomination Committee w.e.f 27<sup>th</sup> October, 2022.
- c) Mr. Manu Sharma (DIN: 09744923) was appointed as an Additional Director on the Board of the Company as well a Member of the Nomination Committee of the Company w.e.f. 27<sup>th</sup> October, 2022.

The Committee met four during the year under review i.e., on 20<sup>th</sup> April, 2022; 30<sup>th</sup> May, 2022, 7<sup>th</sup> November, 2022 and 10<sup>th</sup> February, 2023.

All recommendation made by the Nomination Committee (whether at its meeting or through resolution passed by Circulation) were approved by the Board.

The Company being a part of Deutsche Bank Group follows an overall Group Policy with respect to directors' appointment, remuneration, if any, and criteria of determining qualifications, positive attributes, independence, etc.

**f. Audit Committee:**

Pursuant to the "Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015 issued by the Reserve Bank of India vide Notification No. DNBR.019/CGM (CDS)-2015 dated 10<sup>th</sup> April, 2015, the Company is required to constitute an Audit Committee of the Board of Directors of the Company having the same powers, functions and duties as laid down in Section 177 of the Act.

As on March 31, 2023, the Audit Committee of the Board comprises of the following members:

| <b>Sr. No.</b> | <b>Committee Composition</b> | <b>DIN</b> | <b>Designation</b> |
|----------------|------------------------------|------------|--------------------|
| 1.             | Mr. Manu Sharma              | 09744923   | Chairman & Member  |
| 2.             | Mr. Ramaswami Krishnakumar   | 07612626   | Member             |
| 3.             | Ms. Anjallee Jayapal Paatil  | 00643278   | Member             |
| 4.             | Mr. Abhishek Bansal          | 09468755   | Member             |

The following changes took place in the composition of the Audit Committee:

- a) Mr. Abhishek Bansal was appointed as an Additional Director on the Board of the Company as well a Member of the Audit Committee of the Company w.e.f. 10<sup>th</sup> May, 2022.
- b) Mr. Atin Kumar Saha (DIN: 06901962) resigned as a Director and consequently as a Chairman & Member of the Audit Committee w.e.f 27<sup>th</sup> October, 2022.
- c) Mr. Manu Sharma (DIN: 09744923) was appointed as an Additional Director on the Board of the Company as well as Chairman & Member of the Audit Committee of the Company w.e.f. 27<sup>th</sup> October, 2022.

The Committee met 5 (Five) times i.e., on 20<sup>th</sup> April, 2022; 30<sup>th</sup> May, 2022, 11<sup>th</sup> August, 2022, 7<sup>th</sup> November, 2022 and 10<sup>th</sup> February, 2023, during the year under review.

The Company being a part of Deutsche Bank Group follows an overall Group Policy with respect to directors' appointment, remuneration, if any, and criteria of determining qualifications, positive attributes, independence, etc.

**g. Internal Control Systems:**

Adequate internal control systems commensurate with the nature of the Company's business and size and complexity of its operations are in place and have been operating satisfactorily. Internal control systems comprising of policies and procedures including internal financial controls related to Financial Statements are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations and that all assets and resources are acquired economically, used efficiently and adequately protected.

**4. STATUTORY AUDITORS AND THEIR REPORTS:**

The matters related to Statutory Auditors and their Reports are as under:

**a. Observations of Statutory Auditors on Financial Statements for the year ended 31<sup>st</sup> March, 2023:**

The Report of the Statutory Auditors on the Company's Financial Statements for the year ended 31<sup>st</sup> March, 2023 is self-explanatory and does not contain any qualification, adverse remark or observation.

The Report given by the Statutory Auditor on the financial statements of the Company forms part of this Annual Report.

**b. Fraud Reporting:**

During the year under review, there were no material or serious instances of fraud falling within the purview of Section 143(12) of the Act and rules made thereunder, by officers or employees reported by the Statutory Auditors of the Company during the course of the audit conducted.

**c. Appointment of Statutory Auditors:**

Pursuant to the Reserve Bank of India (RBI) issued Guidelines pertaining to Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of NBFCs (including HFCs) under provisions of Chapter IIIB of RBI Act, 1934 for NBFCs, on 27<sup>th</sup> April 2021 & FAQ on the above same subject on 11<sup>th</sup> June, 2021 together referred to as ("**RBI Guidelines**"), the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. Borkar & Muzumdar, Chartered Accountants (Firm Reg. No. – 101569W), were appointed as Statutory Auditors of the Company for a term of 3 years commencing from the conclusion of Sixteenth Annual General Meeting until the conclusion of the Nineteenth Annual General Meeting of the Company at a remuneration to be determined by the Board of Directors.

**5. OTHER DISCLOSURES:**

Other disclosures as per provisions of Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are furnished as under:

**a. Details of Annual Return:**

The Annual Return as per the requirements of Section 92 of the Act is published on the website of the Company i.e., <https://country.db.com/india/deutsche-investments-india/>.

**b. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:**

**A) Conservation of Energy, Technology Absorption:**

Considering the nature of activities carried on by the Company during the year under review, the Board of Directors have nothing to report as per the requirements of Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014.

The Company uses the information technology support provided by the DB Group and is prudent in utilizing non-renewable resources.

**B) Foreign Exchange Earnings and Outgo (on accruals basis):**

(INR in million)

|                           | 1 <sup>st</sup> April, 2022 to 31 <sup>st</sup> March, 2023 | 1 <sup>st</sup> April, 2021 to 31 <sup>st</sup> March, 2022 |
|---------------------------|---|---|
| Foreign Exchange earnings | -   | -   |
| Foreign Exchange outgo    | 170.19  | 207.58  |

**c. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The Company has complied with the provisions relating to the constitution of the Internal Complaints Committee under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review, there was no complaint filed before the said Committee and there was no complaint pending at the beginning or at the end of the financial year under review.

**6. GENERAL:**

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

- a) Issue of equity shares with differential rights as to dividend, voting or otherwise and under Employees Stock Option Scheme as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014.
- b) Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- c) Exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act.
- d) Receipt of remuneration or commission by the managerial personnel of the Company from any of its subsidiaries.
- e) Appointment of Cost Auditors and maintenance of cost records in accordance with the provisions of Section 148 of the Act.
- f) Applications made or proceedings pending under the Insolvency and Bankruptcy Code, 2016.
- g) 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.



h) Payment of remuneration / commission made to any Director / Key Managerial Personnel from Holding/ Subsidiary Company.

**7. COMPLIANCE WITH SECRETARIAL STANDARDS:**

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards as issued by the Institute of Company Secretaries of India and approved as such by the Central Government pursuant to Section 118(10) of the Act. Your Directors confirm the compliance of the Secretarial Standards during the year under review.

**8. DETAILS OF DEBENTURE TRUSTEE & REGISTRAR & TRANSFER AGENT**

**DEBENTURE TRUSTEES**

Catalyst Trusteeship Limited  
(formerly GDA Trusteeship Limited)  
Windsor, 6th Floor, Office No. 604,  
C.S.T. Road, Kalina,  
Santacruz (East),  
Mumbai – 400 098  
Tel: 022 4922 0555  
Fax: 022 4922 0505  
Email: [dt@ctltrustee.com](mailto:dt@ctltrustee.com)

**REGISTRAR AND TRANSFER AGENT**

NSDL Database Management Limited  
4th Floor, A Wing, Trade World,  
Kamala Mills Compound,  
Senapati Bapat Marg,  
Lower Parel, Mumbai- 400013  
Tel: 022 49142700  
Fax: 022 49142503  
Email: [nileshb@nsdl.co.in](mailto:nileshb@nsdl.co.in)

**9. ACKNOWLEDGEMENTS AND APPRECIATION:**

Your Directors place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment. Further we take this opportunity to thank our customers, shareholders, suppliers, bankers, business partners/ associates, financial institutions, regulatory authorities and the Central & State Governments for their consistent support and encouragement to the Company.

**For and on behalf of the Board**

MANU  
SHARMA

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MANU SHARMA  
Date: 2023.08.10  
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**MANU SHARMA**  
**DIRECTOR**  
**DIN: 09744923**

**Date:** August 10, 2023  
**Place:** Mumbai

**Registered Office:**

Block B1, Nirlon Knowledge Park  
Off Western Express Highway,  
Goregaon (East),  
Mumbai – 400063

**CIN:** U65923MH2005PTC153486  
**Tel No.** 022 7180 3786  
**Fax No.** 022 7180 3799

ANJALLEE  
JAYPAL PAATIL

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**ANJALLEE JAYPAL PAATIL**  
**DIRECTOR**  
**DIN: 00643278**



## ANNEXURE I

### Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

**1. Details of contracts or arrangements or transactions not at arm's length basis – Not Applicable**

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

(INR Millions)

| Name(s) of the related party            | Nature of relationship   | Nature of contracts/ arrangements/ transactions   | Duration of the contracts / arrangements/ transactions | Salient terms of the contracts or arrangements or transactions including the value, if any |
|---|--------------------------|---|--|--|
| Deutsche Bank AG (and its branches)     | Ultimate Holding Company | Interest income on fixed deposit  | Ongoing  | 0.92   |
| Deutsche Bank AG (and its branches)     | Ultimate Holding Company | Global management charges, Portfolio management services, Employee benefit expenses, System and infrastructure support, bank charges, Rent, Other Expenses, Interest on Borrowings, | Ongoing  | 315.03   |
| Deutsche Bank AG (and its branches)     | Ultimate Holding Company | Bank Deposit placed   | Ongoing  | 1,280.00   |
| Deutsche Bank AG (and its branches)     | Ultimate Holding Company | Bank Deposit matured  | Ongoing  | 1,280.00   |
| Deutsche Bank AG (and its branches)     | Ultimate Holding Company | Short term loan taken   | Ongoing  | 100.80   |
| Deutsche Bank AG (and its branches)     | Ultimate Holding Company | Short term loan repaid  | Ongoing  | 110.80   |
| Deutsche Bank AG (and its branches)     | Ultimate Holding Company | Purchase of T-Bill  | Ongoing  | 932.30   |
| Deutsche Equities India Private Limited | Fellow Subsidiary        | Rent  | Ongoing  | 1.71   |
| Deutsche India Private Limited          | Fellow Subsidiary        | System and infrastructure support   | Ongoing  | 17.59  |
| Deutsche Bank Trust Company Americas    | Fellow Subsidiary        | System and infrastructure support   | Ongoing  | (0.44)   |

|   |                   |  |                      |          |
|---|-------------------|--|----------------------|----------|
| Deutsche Knowledge Services Pte. Ltd and branches | Fellow Subsidiary | System and infrastructure support                            | Ongoing              | (0.30)   |
| DB USA Core Corporation                           | Fellow Subsidiary | System and infrastructure support                            | Ongoing              | (0.59)   |
| DBOI Global Services (UK) Limited                 | Fellow Subsidiary | System and infrastructure support                            | Ongoing              | 0.06     |
| Deutsche Securities Korea Co                      | Fellow Subsidiary | System and infrastructure support                            | Ongoing              | 0.03     |
| Deutsche Group Services Pty Limited               | Fellow Subsidiary | System and infrastructure support, Global management charges | Ongoing              | 0.30     |
| Deutsche Bank (Suisse) SA                         | Fellow Subsidiary | System and infrastructure support, Global management charges | Ongoing              | 1.52     |
| Deutsche Equities India Private Limited           | Fellow Subsidiary | System and infrastructure support                            | Ongoing              | (0.20)   |
| Deutsche Bank Securities Inc.                     | Fellow Subsidiary | System and infrastructure support, Global management charges | Ongoing              | 0.04     |
| Deutsche Securities Inc.                          | Fellow Subsidiary | System and infrastructure support, Global management charges | Ongoing              | 0.06     |
| DB Investment Services GmbH                       | Fellow Subsidiary | System and infrastructure support                            | Ongoing              | 0.00     |
| Deutsche Investor Services Private Limited        | Fellow Subsidiary | System and infrastructure support                            | Ongoing              | 0.00     |
| Deutsche India Holding Private Limited            | Fellow Subsidiary | Inter-corporate deposit issued                               | Ongoing              | 2,500.00 |
| Deutsche India Holding Private Limited            | Fellow Subsidiary | Inter-corporate deposit repaid                               | Ongoing              | 3,000.00 |
| Deutsche India Holding Private Limited            | Fellow Subsidiary | Interest on Inter-corporate deposit                          | Ongoing              | 138.90   |
| Deutsche Asia Pacific Holding Pte Limited         | Holding Company   | Dividend payment   | Basis board approval | 76.21    |
| Deutsche India Holding Private Limited            | Fellow Subsidiary | Dividend payment   | Basis board approval | 17.93    |

The transactions mentioned above are at arm's length and therefore approval of Board of Directors is not required. Amount paid as advances are Nil.

**For and on behalf of the Board**

**MANU  
SHARMA**

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MANU SHARMA  
Date: 2023.08.10  
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**MANU SHARMA  
DIRECTOR  
DIN: 09744923**

**Date:** August 10, 2023  
**Place:** Mumbai

**Registered Office:**

Block B1, Nirlon Knowledge Park  
Off Western Express Highway,  
Goregaon (East),  
Mumbai – 400063

**CIN:** U65923MH2005PTC153486  
**Tel No.** 022 7180 3786  
**Fax No.** 022 7180 3799

**ANJALLEE  
JAYPAL PAATIL**

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**ANJALLEE JAYPAL PAATIL  
DIRECTOR  
DIN: 00643278**

**ANNEXURE II****PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS****Details for loans & investments:****(INR Millions)**

| <b>Name of the party</b>                 | <b>Nature &amp; Purpose of transactions</b>   | <b>Amount at the beginning of the year</b> | <b>Transactions during the year</b> | <b>Balance at the end of the year</b> |
|--|---|--|-------------------------------------|---------------------------------------|
| 364-INDIA T-BILLS-30-JUN-22*             | Collateral holdings parked with The Clearing Corporation of India Limited for securities and Collateralised Borrowing and Lending Obligation segment. | 346.52                                     | (350.00)*                           | -                                     |
| 364-INDIA T-BILLS-16-MAR-23*             | Collateral holdings parked with The Clearing Corporation of India Limited for securities and Collateralised Borrowing and Lending Obligation segment. | 1,434.45                                   | (1,500.00)*                         | -                                     |
| 364-INDIA T-BILLS-14-MAR-24              | Collateral holdings parked with The Clearing Corporation of India Limited for securities and Collateralised Borrowing and Lending Obligation segment. | -  | 933.85                              | 933.85                                |
| 9%-MANTRI INFRASTRUCTURE-31-MAR-23**     | Investment in secured non-convertible debentures/bonds (NCDs)   | 181.88                                     | (157.63)**                          | 24.25                                 |
| 15.4%-INCREDIBLE REALCON PVT-28-SEP-22** | Investment in secured non-convertible debentures/bonds (NCDs)   | 595.00                                     | -                                   | 595.00                                |
| 15.425%-SMARTWORKS COWORKING-12-MAR-27   | Investment in secured non-convertible debentures/bonds (NCDs)   | -  | 1,228.60                            | 1,228.60                              |

\*T Bills maturity proceeds.

\*\* Reduction is due to additional provision created during the year.

**Details for guarantees given:**

| Name of the party | Purpose for giving corporate guarantee | Amount of guarantee |
|-------------------|--|---------------------|
| NA                | NA                                     | NA                  |

**For and on behalf of the Board**

MANU  
SHARMA

Digitally signed by MANU SHARMA  
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**MANU SHARMA**  
**DIRECTOR**  
**DIN: 09744923**

**Date:** August 10, 2023

**Place:** Mumbai

**Registered Office:**

Block B1, Nirlon Knowledge Park  
Off Western Express Highway,  
Goregaon (East),  
Mumbai – 400063

**CIN:** U65923MH2005PTC153486

**Tel No.** 022 7180 3786

**Fax No.** 022 7180 3799

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JAYPAL PAATIL

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**ANJALLEE JAYPAL PAATIL**  
**DIRECTOR**  
**DIN: 00643278**

### ANNEXURE III

#### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES OF THE COMPANY FOR THE FINANCIAL YEAR 2022-23

##### 1) **Brief outline of CSR policy of the Company:**

The Company decided to focus on the areas of Education, Healthcare, Social & Environmental Sustainability and Disaster Relief for its CSR Activities.

The primary objectives of the Company's CSR Policy are:

1. **Education:** Enabling underprivileged children and youth to overcome poverty through education and to reach their full potential, by boosting their aspirations, improving their skill set and by making vocational training and job placements available to them. The Company will work across the education continuum – primary, secondary and tertiary levels leading up to employability. The Company will also work directly or with partners to provide life skills to children, youth and adults thereby boosting their confidence and improving their employability.
2. **Healthcare:** providing end-to-end access to affordable and quality healthcare to children, youth and adults from socially and economically backward background. This includes preventive & early screening of diseases, curative & operative healthcare for fatal diseases as well as capacity building for hospitals & institutions.
3. **Social & Environment Sustainability:** Developing sustainable ideas that drive social and environmental change for increasing the country's forest and water reserves and usage of renewable energy.
4. **Disaster Relief:** Enabling funds directly or through implementing partners to support natural disaster relief efforts as may be required in the country from time to time.

The Company will also undertake projects as well as conduct research and publish papers/reports to develop a wider intellectual discourse on the selected subjects and underpin its thought leadership in relevant contexts. Preference will be given to local areas, where Company operates, after giving due consideration to the scope for CSR related activities in the said areas.

##### 2) **Composition of CSR Committee during the financial year 2022-23:**

| Sr. 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 | Whether Member of Committee as on March 31, 2023 |
|---------|---------------------|--------------------------------------|--|--|--|
| 1.      | Mr. Atin Kumar Saha | Ex-Chairman & Ex Member              | 2  | 2  | No   |

|    |                             |                   |                |                |     |
|----|-----------------------------|-------------------|----------------|----------------|-----|
| 2. | Mr. Manu Sharma             | Chairman & Member | Not applicable | Not applicable | Yes |
| 3. | Ms. Anjallee Jayapal Paatil | Member            | 2              | 2              | Yes |
| 4. | Mr. Abhishek Bansal         | Member            | 2              | 2              | Yes |

During the year under review, the CSR Committee of the Board underwent the following changes:

- i. Mr. Abhishek Bansal (DIN: 09468755) was inducted as a Member of the CSR Committee with effect from May 10, 2022, upon his induction as a Director on Board of the Company.
- ii. Owing to cessation as a Director on the Board of the Company, Mr. Atin Kumar Saha (DIN: 06901962) ceased to be the Chairman and a Member of the CSR Committee of the Board with effect from October 27, 2022.
- iii. Mr. Manu Sharma (DIN: 09744923) was inducted as the Chairman and a Member of the CSR Committee with effect from October 27, 2022, upon his induction as a Director on Board of the Company.

- 3) **Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board have been disclosed on the website of the company:** Not Applicable
- 4) **Web-link along with Executive summary 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:** Not Applicable
- 5) (a) Average Net Profit of the Company as per Section 135(5): INR 523,457,816/-  
(b) Two percent of average net profit of the company as per section 135(5): INR 10,469,156/-  
(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil  
(d) Amount required to be set off for the financial year, if any: Nil  
(e) Total CSR obligation for the financial year [(b) + (c) - (d)]: INR 10,469,156/-
- 6) (a) Amount spent on CSR projects (both Ongoing and Other than ongoing projects): INR 10,300,000/-  
(b) Amount spent in Administrative overheads: INR 228,726/-  
(c) Amount spent on Impact Assessment, if applicable: Not applicable  
(d) Total amount spent for the financial year [(a) + (b) + (c)]: INR 10,528,726/-

(e) CSR amount spent or unspent for the financial year:

| Total Amount Spent for the Financial Year. (in Rs.) | Amount Unspent (in Rs.)   |        |                  |   |
|---|---|--------|------------------|---|
|   | Total Amount transferred to Unspent CSR Account as per section 135(6) | Amount | Date of transfer | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5) |
| INR 10,528,726                                      | Nil   | NA     | NA               | NA  |

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

| Sr. No. | Particular  | Amount (in Rs.) |
|---------|---|-----------------|
| (i)     | Two percent of average net profit of the company as per section 135(5)                                      | 10,469,156      |
| (ii)    | Total amount spent for the Financial Year   | 10,528,726      |
| (iii)   | Excess amount spent for the financial year [(ii) - (i)]   | 59,570          |
| (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             |

7) Details of Unspent CSR amount for the preceding three financial years:

| Sr. No. | Preceding Financial Year(s) | Amount transferred to Unspent CSR Account under section 135(6) (in Rs.) | Balance Amount in Unspent CSR Account under section 135(6) (in Rs.) | Amount spent in the Financial Year (in Rs.) | Amount transferred to a fund specified under Schedule VII as per second proviso to section 135(5), if any |                  | Amount remaining to be spent in succeeding financial years. (in Rs.) |
|---------|-----------------------------|---|---|---|---|------------------|--|
|         |                             |   |   |   | Name of the Fund  | Date of transfer |  |
|         |                             |   |   |   |   |                  |  |



Not Applicable

- 8) Whether any capital assets have been created or acquired through CSR amount spent in the financial year: No
- 9) Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not applicable

**For and on behalf of the Board of Directors**

**MANU SHARMA**  
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**Manu Sharma**  
Director & Chairman of CSR Committee  
DIN: 09744923

**Anjallee Jaypal Paatil**  
Director  
DIN: 00643278

**Date: August 10, 2023**  
**Place: Mumbai**

**Registered Office:**  
Block B-1, Nirilon Knowledge Park,  
Western Express Highway,  
Goregaon East,  
Mumbai – 400 063

**CIN: U65923MH2005PTC153486**  
**Tel No. 022 7180 3786**  
**Fax No. 022 7180 3799**

## **Management Discussion and Analysis**

### **Global Economy**

On 24th February 2022, Russia invaded Ukraine. This long-drawn war triggered a massive shock to the global economy squeezing supply of essential commodities. The war added heavily to the inflationary pressures during the post-pandemic recovery and pushed up consumer prices, especially for energy and food which accounted for more than two-thirds of the record-high inflation in 2022.

Most of the central banks started increasing policy interest rates to contain inflation. Federal Reserve increased US rates by 5% from 0.25% during the last one year. Central Banks still maintain hawkish stance to bring inflation under control. Most of the economies across the world slowed down. Large European economies including Germany are witnessing recession. The US is also expected to go under recession in FY 24.

### **Indian Economy**

India managed to grow at reasonable rate amidst this Global turmoil. It is one of the fastest growing large economies in the world. It is emerging as an important global manufacturing hub (as an alternative to China). Initiatives like Make in India, Ease of doing business and Production Linked Incentive (PLI) schemes helped attract higher foreign direct investment (FDI), boosting manufacturing capabilities and exports.

FY'24 Union Budget proved to be a growth-oriented budget with allocation of INR10trn for capital expenditure (33%yoy increase; 3.3% of GDP). This will not only create more jobs and support non-inflationary growth, but also should act as an incentive for private corporate sector to increase their allocation of fresh capex, after remaining on the sidelines through most of the last decade due to a variety of factors.

RBI has projected India's real GDP growth at 6.5% in FY'24. Looking at previous crises, we believe India has come a long way in terms of evolution of Macros. With sound fundamentals and multiple structural reforms underway, the economy is at the cusp of further up-cycle in the long run. Favorable demographics and demand too bode well for the economy. Long term structural story remains intact albeit with near term volatility owing to global growth inflation dynamics and evolving geo-political factors

## Company Overview

### Business Overview

Company is engaged in the business of Lending, Investment Advisory and Portfolio Management Services (PMS). With rising economic prosperity and wealth creation, Company has increased its focus on Loans to High Net worth Individuals (HNI) and their entities by way of loan against shares, mutual funds, promoter financing etc. Lending business has recovered while Investment Advisory and PMS clocked a steady growth during FY 2022-23. New initiatives are being explored in the area of lending, investment advisory and Portfolio Management Services (PMS). Business outlook has improved with reduction in inflation and expected lowering of the interest rates in future. Outlook for FY 2023-24 remains positive.

### Key financial highlights as on 31st March 2023

- Loans up 2.91% at INR 21,108.20 Million.
- Gross NPA 6.43% at INR 1335 Million, Net NPA 2.26% at INR 44.92 Million
- Investments up 8.75 % at INR 2781.71 Million
- PMS & Investment Advisory AUM up 41.67 % at INR 96035.50 Million.
- Capital Adequacy at 43%, above RBI norms

| Abridged Statement of Profit & Loss | (INR Millions)                                  |   |
|-------------------------------------|---|---|
|                                     | Financial Year ended<br><u>31st March, 2022</u> | Financial year ended<br><u>31st March, 2023</u> |
| Income                              | 1616.20   | 1569.73   |
| Less: Expenses                      | 1361.20   | 1433.48   |
| Profit/ (Loss) before tax           | 255   | 136.25  |
| Less: Provision for tax             | 66.24   | 37.53   |
| Exception Income                    | 2.62  | (1.96)  |
| Exception expenditure               | -   | -   |
| Profit after Tax                    | 188.76  | 98.72   |

### Risk Management

As an NBFC, the Company is exposed to credit risk, liquidity risk and interest rate risk. Company has invested in people, processes, and technology to mitigate various risks. The Company has a Risk Management Committee which meets regularly to review risks in an integrated manner.

## Human Resources

Company has formally adopted hybrid model of working, known as “Future of Work”, from April 4, 2022 aimed at balancing the flexibility of remote working with the benefits of in-person office collaboration and connectivity. Company continues to lay emphasis on human capital. It focuses on attracting and retaining the right talent. Company is an equal opportunity employer and is committed to ensuring that the work environment is conducive to fair, safe, and harmonious functioning of its employees.

## Internal Control Systems

Company has put in place a robust internal control system to safeguard all assets and ensure operational excellence. The system records all transaction details and ensures strict adherence to clearly laid down processes and prescribed regulatory framework. Internal audits and concurrent audits ensure independent checks & controls, and their reports are placed before the Board of Directors for its review. Company has continued with hybrid working model post pandemic. In view of the work from home situation, It has provided remote access and connectivity, with enhanced controls, for its employees and cyber security team ensuring that there are no cyber threats to the Company’s information security framework.

### For and on behalf of the Board

MANU  
SHARMA

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**MANU SHARMA**  
**DIRECTOR**  
**DIN: 09744923**

**Date:** August 10, 2023  
**Place:** Mumbai

### Registered Office:

Block B1, Nirlon Knowledge Park  
Off Western Express Highway,  
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**ANJALLEE JAYPAL PAATIL**  
**DIRECTOR**  
**DIN: 00643278**

# **Deutsche Investments India Private Limited**

Financial statements together with the Auditors' Report for the year ended  
March 31, 2023

# **Deutsche Investments India Private Limited**

## **Financial statements together with Auditors' Report**

*For the year ended March 31, 2023*

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**INDEPENDENT AUDITOR'S REPORT**

**To the Members of Deutsche Investments India Private Limited**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of Deutsche Investments India Private Limited (the "Company"), which comprise the Balance sheet as at March 31 2023, 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 financial statements, including a summary of significant 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 financial statements give the information required by the Companies Act, 2013, as amended (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act and the other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit 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 financial statements in accordance with the Standards on Auditing (SAs), as 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 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 financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the 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 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 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 financial statements.

| Key audit matters   | How our audit addressed the key audit matter  |
|---|---|
| Impairment of financial instruments (Loans and Investments) including provision for expected credit losses:<br>(Refer notes 3.1, 6 & 7 to the financial statements)   |   |
| <p>Loans and Investments constitute a significant component of the total assets of the Company. Loans and Investments amount to Rs. 23,889.91 million (net of expected credit loss) at March 31, 2023 as disclosed in the Ind AS financial statements.</p> <p>Ind AS 109 Financial instruments (Ind AS 109) requires the Company to provide for impairment of its financial instruments (designated as amortised cost or fair value through other comprehensive income) using the expected credit loss (ECL) approach. Such ECL allowance is required to be measured considering the guiding principles mentioned in the standard. In the process of applying such principles and other requirements of the standard, a significant degree of judgement has been applied by the management in respect of following matters:</p> <ol style="list-style-type: none"><li>Determining the staging of loans.</li><li>Determining probability of default (PD) using history of default for long term rated loans/investments by leading credit rating agencies and considering the impact of macroeconomic factors.</li><li>Estimation of management overlay to determine the forecasted PD</li><li>Estimation of loss given default (LGD) based on haircuts and recovery percentages as suggested in Basel Regulations.</li><li>Estimation of fair market value of investments designated under fair value through profit or loss.</li></ol> | <p>Our audit approach covered specific testing of the design and operating effectiveness of the Company's internal controls for ensuring compliance with its policies in terms of Ind AS 109 as follows:</p> <ul style="list-style-type: none"><li>We understood the ECL estimation process and tested the design and operating effectiveness of key controls around data extraction and validation.</li><li>We tested the operating effectiveness of the controls for staging of loans and advances based on their past-due status.</li><li>We tested the assumptions used by the Company along with testing of inputs for staging of loan portfolio and default buckets for determining the PD and LGD rates.</li><li>Tested assumptions used by the management in determining the overlay for macro-economic factors and assessed the reasonableness thereof.</li><li>We have checked the completeness and accuracy of the source data used and tested the reasonableness of the key assumptions used along with appropriateness of collateral values.</li><li>We tested the arithmetical accuracy of the computation of ECL provision performed by the Company in spreadsheets.</li></ul> |



**Information Other than the 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 Annual report (which includes the Director's report), but does not include the financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the 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 financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the 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 a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances,

we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on Other Legal and Regulatory Requirements**

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 Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (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 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 as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 with reference to financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - (g) The provisions of Section 197 read with Schedule V of the Act are applicable only to public companies. Accordingly, reporting under section 197 of the Act is not applicable to the Company;

(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 financial statements- Refer Note 32.6 to the 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv

- 1. The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - 2. The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - 3. Based on such audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (1) and (2) above, contain any material mis-statement.
- v The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Companies Act, 2013

vi As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable to the Company only w.e.f. 1<sup>st</sup> April, 2023, reporting under this clause (Rule 11(g)) is not applicable

**For Borkar & Muzumdar**

Chartered Accountants

Firm Registration No: 101569W

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Date: 2023.05.24  
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**Devang Vaghani**

Partner

Membership No: 109386

UDIN: 23109386BGWGKK3631

Date: May 24, 2023

Place: Mumbai

**Annexure I referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements on our report of even date**

- (i) In respect of the Company's Property Plant and Equipment ("PPE") and Intangible Assets:
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of the PPE;  
(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) As per information and explanations given to us, physical verification of PPE has been carried out by the Management during the year and based on the report of physical verification provided by the management, we have not observed any material discrepancies on such verification;
- (c) According to the information and explanations given by the management, there are no immovable properties, included in PPE of the company and hence reporting under paragraph 3(i)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records, the company has not revalued its PPE or Intangible asset during the year.
- (e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) The Company's business does not involve inventories and hence reporting under paragraph 3(ii)(a) of the Order is not applicable to the Company.
- (b) Paragraph 3(ii)(b) pertaining to sanctioning of working capital loan on the basis of security of current assets is not applicable to the Company since the company has not borrowed any loan in the form of working capital from banks or financial institutions during the year.
- (iii) The Company has made investments in and granted secured loans to companies, firms, Limited Liability Partnerships and other parties
- (a) Company is NBFC and its principal business is to give loans and hence reporting under paragraph Clause (iii)(a)(A) and Clause (iii)(a)(B) are not applicable to the Company.
- (b) As informed and based on our review of documents related to the terms and conditions for Investments made and secured loans granted are not prejudicial to the company's interest;

- (c) the schedule of repayment of principal and payment of interest has been stipulated in respect of loans. Repayments or receipts are regular during the year for loans granted;
- (d) Out of total investments made by the Company, an amount of INR 1,335 Million is overdue for more than 90 days. The Company has taken necessary steps for recovery of the principal and interest;
- (e) Company is NBFC and its principal business is to give loans and hence reporting under paragraph Clause (iii)(e) is not applicable to the Company.
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Section 185 and 186 of the Act. hence reporting under paragraph 3(iv) of the Order is not applicable to the Company.
- (v) In our opinion the Company has not accepted deposits or the amounts which are deemed to be deposits, within the meaning of sections 73 to 76 of the Act or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Hence reporting under paragraph 3(v) of the Order 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 Act, for the services of the Company.
- (vii) (a) According to the information and explanations given to us and the records examined by us, the Company is regular in depositing undisputed statutory dues, including provident fund, income-tax, service tax, cess, Goods and Service Tax and other statutory dues applicable to the Company with appropriate authorities;

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, service tax, cess, Goods and Service Tax and any other material statutory dues applicable to the Company, were outstanding as on the last day of the financial year, for a period of more than six months from the date they became payable;

(b) According to the information and explanations given to us, there are no dues outstanding in respect of income tax or service tax or Goods & service tax which has not been deposited on account of any dispute except the following;

| Name of the statute  | Nature of the dues | Amount Involved (INR in Million) | Amount paid under protest (INR in Million) | Period to which the amount relates | Forum where the dispute is pending   |
|----------------------|--------------------|----------------------------------|--|------------------------------------|--------------------------------------|
| Income Tax Act, 1961 | Income Tax         | 22.76                            | 2.44                                       | AY: 2020-21                        | Commissioner of Income Tax –Appeals  |
| Income Tax Act, 1961 | Income Tax         | 20.44                            | 3.93 <sup>1</sup>                          | AY: 2018-19                        | Commissioner of Income Tax –Appeals  |
| Income Tax Act, 1961 | Income Tax         | 17.09                            | 0.33 <sup>2</sup>                          | AY: 2017-18                        | Commissioner of Income Tax –Appeals  |
| Income Tax Act, 1961 | Income Tax         | 16.33                            | 3.26                                       | AY: 2016-17                        | Commissioner of Income Tax –Appeals  |
| Income Tax Act, 1961 | Income Tax         | 37.93                            | 2.55                                       | AY: 2014-15                        | Commissioner of Income Tax –Appeals  |
| Income Tax Act, 1961 | Income Tax         | 121.32                           | 18.25                                      | AY: 2013-14                        | Commissioner of Income Tax –Appeals  |
| Income Tax Act, 1961 | Income Tax         | 13.95                            | Nil <sup>3</sup>                           | AY: 2012-13                        | Commissioner of Income Tax –Appeals  |
| Income Tax Act, 1961 | Income Tax         | 101.66                           | 41.69                                      | AY: 2011-12                        | Commissioner of Income Tax –Appeals  |
| Income Tax Act, 1961 | Income Tax         | 322.11                           | 66.47 <sup>4</sup>                         | AY: 2010-11                        | Commissioner of Income Tax –Appeals  |
| Income Tax Act, 1961 | Income Tax         | 10.53                            | 4.89 <sup>5</sup>                          | AY: 2008-09                        | Commissioner of Income Tax – Appeals |

<sup>1</sup> In addition, demand of Rs 57.7 mio adjusted against the pending refunds

<sup>2</sup> In addition, demand of Rs 4.75 mio adjusted against the pending refunds

<sup>3</sup> In addition, demand of Rs 8.54 mio adjusted against the pending refunds

<sup>4</sup> In addition, demand of Rs 2.90 mio adjusted against the pending refunds

<sup>5</sup> In addition, demand of Rs 5.96 mio adjusted against the pending refunds

According to the information and explanations given to us, there are no dues of provident fund, employees' state insurance, service tax, sales-tax, duty of custom, duty of excise, value added tax which have not been deposited on account of any dispute.



- (viii) There were no transactions which have not been recorded in the books of accounts and have been surrendered or disclosed as income during the year in the tax assessments under the Income tax Act,1961.
- (ix) (a) The Company has not defaulted in repayment of debt securities and borrowings during the year.
- (b) According to the information and explanations given by the management, the company is not declared wilful defaulter by any bank or financial institution or other lender;
- (c) In our opinion and according to the information and explanations given by the management and audit procedures performed by us, the Company has utilized the monies raised by way of debt instruments in the nature of Non-Convertible Debentures and Commercial Papers for the purposes for which they were raised.
- (d) In our opinion and according to the information and explanations given by the management and audit procedures performed by us, the Company has not utilized the monies raised on short term basis for long term purpose.
- (e) The company does not have any subsidiary, associate or joint venture and hence reporting under paragraph 3(ix)(e) of the Order is not applicable to the Company.
- (f) The company does not have any subsidiary, associate or joint venture and hence reporting under paragraph 3(ix)(f) of the Order is not applicable to the Company.
- (x) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans or Private placement or preferential allotment and hence reporting under paragraph 3(x)(a) to (b) of the Order is not applicable to the Company;
- (xi) (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (b) No report under sub section (12) of section 143 of the Companies Act, 2013 is required to be filed by the auditors in Form ADT-4 as prescribed under Rules, 2014 with the central government.
- (c) Based on our enquiries and according to the information and explanation given by the management, we have been informed that no whistle blower complaint has been received during the year.

- (xii) The Company is not a Nidhi Company and hence reporting under paragraph 3(xii)(a) to (c) of the Order are not applicable to the Company;
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable, and details of such transactions have been disclosed in the Financial Statements, as required by the applicable Ind-AS;
- (xiv) (a) In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business.
- (b) The reports of the Internal auditor for the year under audit have been considered by us during the audit.
- (xv) According to the information and explanations given to us and based on our examination of the records, the Company has not entered during the year into any non-cash transactions with its directors or persons connected with them and hence clause 3 (xv) of the Order is not applicable to the Company.
- (xvi) (a) According to the information and explanations given to us and audit procedures performed by us, we report that the Company has registered as required, under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) The company has not conducted Non-Banking Financial activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;
- (c) Company is not Core Investment Company (CIC) and hence reporting under paragraph 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Company is not CIC and hence reporting under paragraph 3(i)(d) of the Order is not applicable to the Company.
- (xvii) According to the information and explanation given to us, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditor during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable.

- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and based on our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is 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.
- (xx) (a) According to the information and explanations given to us and based on our examination of the records of the Company, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects as on March 31, 2023. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any ongoing projects as on March 31, 2023. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable.
- (xxi) Since this is report on the standalone Financial Statements of the Company hence reporting under paragraph 3(xxi) of the Order is not applicable to the Company.

**For Borkar & Muzumdar**

Chartered Accountants

Firm Registration No: 101569W

DEVANG

NIRANJANBHAI

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Date: 2023.05.24  
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**Devang Vaghani**

Partner

Membership No: 109386

UDIN: 23109386BGWGKK3631

Date: May 24, 2023

Place: Mumbai

**ANNEXURE II TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF DEUTSCHE INVESTMENTS INDIA PRIVATE LIMITED**

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

We have audited the internal financial controls with reference to financial statements of Deutsche Investments India Private Limited (the "Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date. Management's Responsibility for Internal Financial Controls

The Company's Management 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 ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these 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") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. 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 with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these financial statements.

## Meaning of Internal Financial Controls with Reference to these Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to 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, an adequate internal financial controls system over financial reporting with reference to the Standalone Financial Statements, and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the internal financial controls criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control Over Financial Reporting issued by ICAI.

## For Borkar & Muzumdar

Chartered Accountants

Firm Registration No: 101569W

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## Devang Vaghani

Partner

Membership No: 109386

UDIN: 23109386BGWGKK3631

Date: May 24, 2023

Place: Mumbai

# Deutsche Investments India Private Limited

## Balance Sheet

As at March 31, 2023

(Currency: Indian Rupees in Millions)

| Particulars   | Note No. | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|----------|-------------------------|-------------------------|
| <b>ASSETS</b>   |          |                         |                         |
| <b>I. Financial Assets</b>  |          |                         |                         |
| (a) Cash and cash equivalents   | 4        | 126.44                  | 142.06                  |
| (b) Receivables   |          |                         |                         |
| (I) Trade receivables   | 5        | 27.36                   | 27.12                   |
| (c) Loans   | 6        | 21,108.20               | 20,509.85               |
| (d) Investments   | 7        | 2,781.71                | 2,557.85                |
| (e) Other financial assets  | 8        | 30.62                   | 28.00                   |
| <b>Total Financial Assets</b>   |          | <b>24,074.33</b>        | <b>23,264.88</b>        |
| <b>II. Non-Financial Assets</b>   |          |                         |                         |
| (a) Current tax assets (Net)  | 9        | 362.75                  | 323.80                  |
| (b) Deferred tax assets (Net)   | 32.5     | 279.50                  | 220.35                  |
| (c) Property, plant and equipment   | 10       | 1.23                    | 1.29                    |
| (d) Other non financial assets  | 12       | 1.91                    | 2.00                    |
| <b>Total Non-Financial Assets</b>   |          | <b>645.39</b>           | <b>547.44</b>           |
| <b>Total Assets</b>   |          | <b>24,719.72</b>        | <b>23,812.32</b>        |
| <b>LIABILITIES AND EQUITY</b>   |          |                         |                         |
| <b>LIABILITIES</b>  |          |                         |                         |
| <b>I. Financial Liabilities</b>   |          |                         |                         |
| (a) Payables  |          |                         |                         |
| (I) Trade payables  | 13       |                         |                         |
| (i) total outstanding dues of micro enterprises and small enterprises                       |          | -                       | -                       |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises |          | 147.79                  | 45.03                   |
| (II) Other payables   | 14       |                         |                         |
| (i) total outstanding dues of micro enterprises and small enterprises                       |          | 0.87                    | 0.21                    |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises |          | 3.02                    | 3.34                    |
| (b) Debt securities   | 15       | 12,879.42               | 11,564.80               |
| (c) Borrowings (other than debt securities)   | 16       | -                       | 10.00                   |
| (d) Inter-corporate deposits  | 17       | 2,535.08                | 3,041.33                |
| (e) Other financial liabilities   | 18       | 0.38                    | 0.51                    |
| <b>Total Financial Liabilities</b>  |          | <b>15,566.56</b>        | <b>14,665.22</b>        |
| <b>II. Non-Financial Liabilities</b>  |          |                         |                         |
| (a) Current tax liabilities (Net)   | 19       | 7.88                    | 7.88                    |
| (b) Provisions  | 20       | 7.16                    | 4.80                    |
| (c) Other non-financial liabilities   | 21       | 7.88                    | 6.80                    |
| <b>Total Non-financial Liabilities</b>  |          | <b>22.92</b>            | <b>19.48</b>            |
| <b>III. EQUITY</b>  |          |                         |                         |
| (a) Equity share capital  | 22       | 528.85                  | 528.85                  |
| (b) Other equity  |          | 8,601.39                | 8,598.77                |
| <b>Total equity</b>   |          | <b>9,130.24</b>         | <b>9,127.62</b>         |
| <b>Total Liabilities and Equity</b>   |          | <b>24,719.72</b>        | <b>23,812.32</b>        |

Significant accounting policies and notes to the financial statements

2 - 32

The accompanying notes form an integral part of these financial statements

This is the Balance Sheet referred to in our report of even date

For **Borkar & Muzumdar**

Chartered Accountants

ICAI Firm registration number:101569W

DEVANG NIRANJANBHAI VAGHANI Digitally signed by DEVANG NIRANJANBHAI VAGHANI Date: 2023.05.24 18:01:57 +05:30

**Devang Vaghani**

Partner

Membership No: 109386

Place: Mumbai

Date: May 24, 2023

For **Deutsche Investments India Private Limited**

MANU SHARMA Digitally signed by MANU SHARMA Date: 2023.05.24 16:11:44 +05:30

**Manu Sharma**

Director

DIN: 09744923

ANJALLEE JAYPAL PAATIL Digitally signed by ANJALLEE JAYPAL PAATIL Date: 2023.05.24 17:26:59 +05:30

**Anjallee Paatil**

Director

DIN: 00643278

Gangani Bharatkumar Becharbhai Digitally signed by Gangani Bharatkumar Becharbhai Date: 2023.05.24 17:31:58 +05:30

**Bharat Gangani**

Company Secretary

ACS: 51420

# Deutsche Investments India Private Limited

## Statement of Profit and Loss

For the year ended March 31, 2023

(Currency: Indian Rupees in Millions)

| Particulars  | Note No. | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
|--|----------|--------------------------------------|--------------------------------------|
| <b>I. Revenues from operations</b>   |          |                                      |                                      |
| (a) Interest income  | 23       | 1,471.46                             | 1,515.77                             |
| (b) Revenue from contracts with customers  | 25       | 103.85                               | 100.55                               |
| <b>Total revenues from operations</b>  |          | <b>1,575.31</b>                      | <b>1,616.32</b>                      |
| <b>II. Other income</b>  | 26       | <b>(5.58)</b>                        | <b>(0.12)</b>                        |
| <b>III. Total income</b>   |          | <b>1,569.73</b>                      | <b>1,616.20</b>                      |
| <b>Expenses</b>  |          |                                      |                                      |
| (a) Finance costs  | 31       | 695.86                               | 718.95                               |
| (b) Fees and commission expense  | 27       | 52.25                                | 51.67                                |
| (c) Net loss on fair value changes   | 24       | 157.63                               | 121.41                               |
| (d) Employee benefits expense  | 28       | 173.01                               | 133.27                               |
| (e) Depreciation, amortization and impairment  | 11.1     | 0.57                                 | 0.41                                 |
| (f) Other expenses   | 29       | 276.17                               | 182.69                               |
| (g) Impairment on financial instruments  | 30       | 77.99                                | 152.80                               |
| <b>IV. Total expenses</b>  |          | <b>1,433.48</b>                      | <b>1,361.20</b>                      |
| <b>V. Profit / (loss) before tax</b>   |          | <b>136.25</b>                        | <b>255.00</b>                        |
| <b>VI. Tax expenses</b>  |          |                                      |                                      |
| (a) Current tax  |          | 96.02                                | 111.27                               |
| (b) Deferred tax   |          | (58.49)                              | (45.03)                              |
|  |          | 37.53                                | 66.24                                |
| <b>VII Profit / (loss) for the year</b>  |          | <b>98.72</b>                         | <b>188.76</b>                        |
| <b>VIII. Other comprehensive income</b>  |          |                                      |                                      |
| (a) Items that will not be reclassified to profit or loss  |          |                                      |                                      |
| - Remeasurement of post employment benefits  |          | (0.27)                               | 0.03                                 |
| (b) Income tax relating to items that will not be reclassified to profit or loss                                       |          | 0.07                                 | (0.01)                               |
| (c) Items that will be reclassified to profit or loss  |          |                                      |                                      |
| - Changes in fair value of debt instruments measured at FVOCI  |          | (2.35)                               | 3.48                                 |
| (d) Income tax relating to items that will be reclassified to profit or loss   |          | 0.59                                 | (0.88)                               |
| <b>Total other comprehensive income</b>  |          | <b>(1.96)</b>                        | <b>2.62</b>                          |
| <b>IX. Total comprehensive income for the year</b>   |          | <b>96.76</b>                         | <b>191.38</b>                        |
| <b>X. Earnings per equity share (face value Rs.10 per share and weighted average number of shares are 52,885,000):</b> |          |                                      |                                      |
| Basic & diluted (Rupees)   | 32.4     | 1.87                                 | 3.57                                 |

Significant accounting policies and notes to the financial statements

2 - 32

The accompanying notes form an integral part of these financial statements

This is the Statement of Profit and Loss referred to in our report of even date

For **Borkar & Muzumdar**

Chartered Accountants

ICAI Firm registration number:101569W

DEVANG  
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VAGHANI

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Date: 2023.05.24 18:02:16  
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**Devang Vaghani**

Partner

Membership No: 109386

For **Deutsche Investments India Private Limited**

MANU  
SHARMA

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by MANU  
SHARMA  
Date: 2023.05.24  
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**Manu Sharma**

Director

DIN: 09744923

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PAATIL

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ANJALLEE JAYPAL  
PAATIL  
Date: 2023.05.24  
17:27:29 +05'30'

**Anjallee Paatil**

Director

DIN: 00643278

Gangani  
Bharatkumar  
r Becharbhai

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Gangani Bharatkumar  
Becharbhai  
Date: 2023.05.24  
17:32:33 +05'30'

**Bharat Ganani**

Company Secretary

ACS: 51420

Place: Mumbai

Date: May 24, 2023

## Deutsche Investments India Private Limited

### Statement of Changes in Equity

For the year ended March 31, 2023

(Currency: Indian Rupees in Millions)

| Particulars   | Equity share capital | Reserves and surplus  |                   |                         |                          | Debt instruments through other comprehensive income | Total Other Equity | Total Equity    |
|---|----------------------|-----------------------|-------------------|-------------------------|--------------------------|---|--------------------|-----------------|
|   |                      | Statutory Reserve (i) | Retained earnings | Securities premium (ii) | Impairment Reserve (iii) |   |                    |                 |
| Balance as of April 1, 2021   | 528.85               | 1,132.20              | 174.38            | 7,195.80                | 78.10                    | (1.21)  | 8,579.27           | 9,108.12        |
| Issued during the year  | -                    | -                     | -                 | -                       | -                        | -   | -                  | -               |
| Total Comprehensive Income for the year                               | -                    | -                     | 0.02              | -                       | -                        | 2.60  | 2.62               | 2.62            |
| Transfer to retained earnings   | -                    | -                     | 188.76            | -                       | -                        | -   | 188.76             | 188.76          |
| Transfer to statutory reserve under section 451C of the RBI Act, 1934 | -                    | 37.75                 | (37.75)           | -                       | -                        | -   | -                  | -               |
| Impairment Reserve  | -                    | -                     | (1.41)            | -                       | 1.41                     | -   | -                  | -               |
| <b>Transactions with owners in their capacity as owners:</b>          |                      |                       |                   |                         |                          |   |                    |                 |
| Interim Equity Dividend Paid (iv)                                     | -                    | -                     | (171.88)          | -                       | -                        | -   | (171.88)           | (171.88)        |
| <b>Balance as of March 31, 2022</b>                                   | <b>528.85</b>        | <b>1,169.95</b>       | <b>152.12</b>     | <b>7,195.80</b>         | <b>79.51</b>             | <b>1.39</b>   | <b>8,598.77</b>    | <b>9,127.62</b> |

| Particulars   | Equity share capital | Reserves and surplus  |                   |                         |                          | Debt instruments through other comprehensive income | Total Other Equity | Total Equity    |
|---|----------------------|-----------------------|-------------------|-------------------------|--------------------------|---|--------------------|-----------------|
|   |                      | Statutory Reserve (i) | Retained earnings | Securities premium (ii) | Impairment Reserve (iii) |   |                    |                 |
| Balance as of April 1, 2022   | 528.85               | 1,169.95              | 152.12            | 7,195.80                | 79.51                    | 1.39  | 8,598.77           | 9,127.62        |
| Issued during the period  | -                    | -                     | -                 | -                       | -                        | -   | -                  | -               |
| Total Comprehensive Income for the period                             | -                    | -                     | (0.20)            | -                       | -                        | (1.76)  | (1.96)             | (1.96)          |
| Transfer to retained earnings   | -                    | -                     | 98.72             | -                       | -                        | -   | 98.72              | 98.72           |
| Transfer to statutory reserve under section 451C of the RBI Act, 1934 | -                    | 19.74                 | (19.74)           | -                       | -                        | -   | -                  | -               |
| Impairment Reserve  | -                    | -                     | (136.47)          | -                       | 136.47                   | -   | -                  | -               |
| <b>Transactions with owners in their capacity as owners:</b>          |                      |                       |                   |                         |                          |   |                    |                 |
| Interim Equity Dividend Paid (iv)                                     | -                    | -                     | (94.14)           | -                       | -                        | -   | (94.14)            | (94.14)         |
| <b>Balance as of March 31, 2023</b>                                   | <b>528.85</b>        | <b>1,189.69</b>       | <b>0.29</b>       | <b>7,195.80</b>         | <b>215.98</b>            | <b>(0.37)</b>                                       | <b>8,601.39</b>    | <b>9,130.24</b> |

- (i) It represents reserve created under section 451C of the RBI Act, whereby every Non Banking Financial Company (NBFC) is required to transfer a sum of not less than 20% of its net profit after tax as disclosed in the Statement of Profit and Loss before any dividend is declared.
- (ii) The Company can utilise it as per Companies Act 2013.
- (iii) It represents reserve created as per RBI circular dtd. March 13, 2020, ref. DOR (NBFC).CC.PD.No.109/22.10.106/2019-20, whereby every NBFC is required to create Impairment Reserve when impairment allowance under Ind AS 109 is lower than the provisioning required under Income Recognition, Asset Classification and Provisioning (including standard asset provisioning). The said difference is appropriated from net profit or loss after tax to a separate 'Impairment Reserve'. Withdrawals from Impairment Reserve are subject to prior permission from the Department of Supervision, Reserve Bank of India.
- (iv) The Company has paid Interim Equity Dividend of Rs. 1.78 (Previous year Rs. 3.25) per share. This has resulted in cash outflow of Rs. 94.14 (Previous year Rs. 171.88).

The accompanying notes form an integral part of these financial statements  
This is the Statement of Changes in Equity referred to in our report of even date

For Borkar & Muzumdar

Chartered Accountants

ICAI Firm registration number:101569W

DEVANG  
NIRANJANBHAI  
VAGHANI

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NIRANJANBHAI VAGHANI  
Date: 2023.05.24 18:02:39  
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Devang Vaghani

Partner

Membership No: 109386

For Deutsche Investments India Private Limited

MANU  
SHARMA

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by MANU  
SHARMA  
Date: 2023.05.24  
16:12:17 +05'30'

Manu Sharma

Director

DIN: 09744923

ANJALLEE  
JAYPAL  
PAATIL

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ANJALLEE JAYPAL  
PAATIL  
Date: 2023.05.24  
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Anjallee Paatil

Director

DIN: 00643278

Gangani  
Bharatkumar  
Becharbhai

Digitally signed by  
Gangani Bharatkumar  
Becharbhai  
Date: 2023.05.24  
17:33:04 +05'30'

Bharat Gangani

Company Secretary

ACS: 51420

Place: Mumbai

Date: May 24, 2023



# Deutsche Investments India Private Limited

## Statement of Cash Flow

For the year ended March 31, 2023

(Currency: Indian Rupees in Millions)

|   | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
|---|--------------------------------------|--------------------------------------|
| <b>A Cash Flow from operating activities</b>                              |                                      |                                      |
| Net Profit before tax   | 136.25                               | 255.00                               |
| <i>Adjustments for:</i>   |                                      |                                      |
| Depreciation and amortization expenses                                    | 0.57                                 | 0.41                                 |
| Interest income on bank deposits  | (0.92)                               | (4.81)                               |
| Net unrealised (gain) / loss on foreign currency translation              | 5.95                                 | (4.69)                               |
| Net (gain) / loss on fair value changes                                   | 157.63                               | 121.41                               |
| Impairment on financial instruments                                       | 77.99                                | 152.80                               |
| Interest income   | (1,466.86)                           | (1,510.68)                           |
| Interest expenses   | 695.87                               | 718.94                               |
| Operating profit before working capital changes                           | (393.52)                             | (271.62)                             |
| <i>Adjustments for:</i>   |                                      |                                      |
| Decrease / (increase) in loans  | (632.14)                             | 1,134.90                             |
| Decrease / (increase) in receivables                                      | (3.45)                               | (11.65)                              |
| Decrease / (increase) in other financial assets                           | (2.62)                               | (1.84)                               |
| Decrease / (increase) in other non financial                              | 0.10                                 | (0.37)                               |
| Increase / (decrease) in trade payables                                   | 96.81                                | (57.48)                              |
| Increase / (decrease) in other payables                                   | 0.34                                 | (1.27)                               |
| Increase / (decrease) in other financial liabilities                      | 0.96                                 | (397.06)                             |
| Increase / (decrease) in provisions                                       | 2.09                                 | 1.82                                 |
| <b>Cash generated / (used in) from operations</b>                         | <b>(931.43)</b>                      | <b>395.43</b>                        |
| Interest income received  | 1,374.32                             | 1,437.01                             |
| Interest expenses paid  | (686.50)                             | (672.91)                             |
| Income taxes paid (includes tax deducted at source)                       | (134.97)                             | (159.28)                             |
| <b>Net cash flow from / (used in) operating activities</b>                | <b>(378.58)</b>                      | <b>1,000.25</b>                      |
| <b>B Cash flow from investing activities</b>                              |                                      |                                      |
| Purchase of investments   | (2,182.30)                           | (1,770.69)                           |
| Proceeds from sale of investments   | 1,850.00                             | 500.00                               |
| Interest income of bank deposit   | 0.92                                 | 4.81                                 |
| Purchase of property, plant and equipment                                 | (0.51)                               | (0.26)                               |
| <b>Net cash flow from / (used in) investing activities</b>                | <b>(331.89)</b>                      | <b>(1,266.14)</b>                    |
| <b>C Cash flow from financing activities</b>                              |                                      |                                      |
| Proceeds from / (Repayment of) Debt Securities (net)                      | 1,298.99                             | 402.95                               |
| Proceeds from / (Repayment of) borrowing other than Debt Securities (net) | (10.00)                              | 3.40                                 |
| Proceeds from / (Repayment of) Inter-corporate Deposit (net)              | (500.00)                             | (0.00)                               |
| Interim dividend paid   | (94.14)                              | (171.88)                             |
| <b>Net cash flow from / (used in) financing activities</b>                | <b>694.85</b>                        | <b>234.47</b>                        |
| <b>Net increase / (decrease) in cash and cash equivalents</b>             | <b>(15.62)</b>                       | <b>(31.42)</b>                       |
| Cash and cash equivalents as at beginning of the year (refer note 4)      | 142.06                               | 173.48                               |
| Cash and cash equivalents as at end of the year (refer note 4)            | 126.44                               | 142.06                               |

### Notes to Statement of Cash Flow:

1. Cash and cash equivalents includes the following:

- Balance in current accounts
- Bank deposit with original maturity of 3 months or less

2. The above Statement of cash flow has been prepared under the indirect method set out in Indian Accounting Standard (Ind AS) 7 - Statement of cash flows prescribed by Companies (Indian Accounting Standard) Rules, 2015.

3. Figures in bracket indicate cash outflow.

4. Change in liabilities arising from financing activities

| Particulars                | 1-Apr-22  | Net Cash flows | Non-cash changes* | 31-Mar-23 |
|----------------------------|-----------|----------------|-------------------|-----------|
| Commercial paper           | 11,251.14 | 1,175.71       | 138.90            | 12,565.75 |
| Non convertible debentures | 313.67    | (13.67)        | 13.67             | 313.67    |

| Particulars                | 1-Apr-21  | Net Cash flows | Non-cash changes* | 31-Mar-22 |
|----------------------------|-----------|----------------|-------------------|-----------|
| Commercial paper           | 11,094.76 | 33.11          | 123.28            | 11,251.14 |
| Non convertible debentures | -         | 300.00         | 13.67             | 313.67    |

\* Non-cash changes includes the effect of recording financial liability at amortized cost.

This is the Statement of Cash Flow referred to in our report of even date

### For Borkar & Muzumdar

Chartered Accountants

ICAI Firm registration number:101569W

DEVANG NIRANJANBHAI VAGHANI Digitally signed by DEVANG NIRANJANBHAI VAGHANI  
Date: 2023.05.24 18:02:58 +05'30'

**Devang Vaghani**

Partner

Membership No: 109386

Place: Mumbai

Date: May 24, 2023

MANU SHARMA Digitally signed by MANU SHARMA  
Date: 2023.05.24 16:12:34 +05'30'

**Manu Sharma**

Director

DIN: 09744923

### For Deutsche Investments India Private Limited

ANJALLE E JAYPAL PAATIL Digitally signed by ANJALLE E JAYPAL PAATIL  
Date: 2023.05.24 17:28:16 +05'30'

**Anjallee Paatil**

Director

DIN: 00643278

Gangani Bharatkumar Becharbhai Digitally signed by Gangani Bharatkumar Becharbhai  
Date: 2023.05.24 17:37:01 +05'30'

**Bharat Gangani**

Company Secretary

ACS: 51420

# Deutsche Investments India Private Limited

## Notes to financial statements

For the year ended March 31, 2023

(Currency: Indian Rupees in Millions)

### 1 Background

Deutsche Investments India Private Limited ('DIPL' or 'the Company') was incorporated on May 24, 2005 as a private limited company under the Companies Act, 1956.

The Company has been issued a registration certificate no. N-13.01875 dated August 2, 2007 by the Reserve Bank of India ('RBI') to operate as a Non-Banking Financial Institution without accepting public deposits.

As per Scale Based Regulation, vide circular RBI/2021-22/112 DOR.CRE.REC.No.60/03.10.001/2021-22 dated October 22, 2021, the Company is classified in the Middle Layer ('NBFC-ML').

The Company has also been granted a certificate of registration no. INP000002825 as "Portfolio Manager" by Securities Exchange Board of India ('SEBI').

The principal shareholder of the Company is Deutsche Asia Pacific Holdings Pte Limited (80.95%), a private limited company incorporated in Singapore and the balance (19.05%) is held by Deutsche India Holdings Private Limited, a private limited company incorporated in India.

### 2 Significant accounting policies

#### 2.1 (a) Basis of preparation of financial statements

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [ Companies (Indian Accounting Standards) Rule, 2015], other relevant provisions of the Act and guidelines along with circulars issued by the RBI from time to time.

##### Statement of compliance

The Ind AS compliant financial statements have been prepared in the format prescribed by Division III of Companies (Indian Accounting Standards) Rule, 2015 - Financial Statements for a Non-Banking Financial Company (NBFC) vide notification dated October 11, 2018.

##### Historical cost convention

These financial statements have been prepared on the historical cost basis except for the following material assets and liabilities:

- (i) Certain financial assets and liabilities measured at fair value;
- (ii) Defined benefit obligations measured in accordance with Ind AS 19

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

#### 2.1 (b) Presentation of financial statements

The Company presents its balance sheet in order of liquidity. Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, there is an unconditional legally enforceable right to offset.

#### 2.2 Use of estimates

The preparation of the financial statements is in conformity with Ind AS, which require the management to make estimates, judgements and assumptions that affect the reported amount of assets, liabilities, revenues, expenses and disclosure of contingent liabilities on the date of financial statements. The estimates, judgements and assumptions used in the accompanying financial statements are based upon the management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from those estimates used in preparing the accompanying financial statements. Adjustments, if any, are recognised prospectively.

The areas involving critical estimates or judgments are:

- Note 2.4 & 2.5 - Useful life of Property, plant and equipment and Intangible assets
- Note 2.11.2 - Subsequent measurement of financial instrument (fair values and impairment)
- Note 2.13 - Expected credit loss
- Note 32.1 - Measurement of defined benefit obligations: key actuarial assumptions
- Note 32.5 - Provision for tax payable and current tax
- Note 32.5 - Recognition of deferred tax assets / liabilities

# Deutsche Investments India Private Limited

## Notes to financial statements (Continued)

For the year ended March 31, 2023

(Currency: Indian Rupees in Millions)

### 2 Summary of Significant accounting policies (Continued)

#### 2.3 Revenue recognition

(i) Interest and similar income

- Interest income on Financial Assets measured at Amortised cost is recognised using Effective Interest Method.
- The EIR is the rate that exactly discounts estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount. The future cash flows are estimated taking into account all the contractual terms of the instrument. The calculation of the EIR includes all fees paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement and transaction costs.
- Interest income for financial assets measured at amortised cost which are at stage3 is calculated by applying the EIR to net carrying amount. (i.e., the gross carrying amount less the credit loss allowance).
- Interest income on all trading assets and financial assets measured at fair value through profit and loss / fair value through other comprehensive income is recognised using the contractual interest rate. Accretion of discount is recognised as interest income over the life of the discounted instruments.
- Dividend income is recognised when the right to receive dividend is established.
- Profit/loss on sale of investments is recognised on trade date basis.

(ii) Commission and fee income

The company applies Indian accounting standard 115, "Revenue from Contracts with Customers" five-step revenue recognition model to the recognition of Commissions and Fee Income, under which income must be recognized when control of goods and services is transferred, hence the contractual performance obligations to the customer has been satisfied.

Accordingly, after a contract with a customer has been identified in the first step, the second step is to identify the performance obligation – or a series of distinct performance obligations – provided to the customer. The Company must examine whether the service is capable of being distinct and is actually distinct within the context of the contract. A promised service is distinct if the customer can benefit from the service either on its own or together with other resources that are readily available to the customer, and the promise to transfer the service to the customer is separately identifiable from other promises in the contract. The amount of income is measured on the basis of the contractually agreed transaction price for the performance obligation defined in the contract. If a contract includes variable consideration, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the promised goods or services to a customer. Income is recognized in profit and loss when the identified performance obligation has been satisfied.

The Fee Income on Portfolio management services is predominantly earned from services that are received and consumed by the customer over time.

#### 2.4 Property, plant and equipment

##### Recognition and measurement

Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment in value. The historical cost of Property, plant and equipment comprise of purchase price and any attributable cost of bringing the asset to its working condition for its intended use. In line with requirement of IND AS estimated present value of the dismantling /restoration cost, where likely, are considered are part of the property, plant and equipment.

##### Depreciation

The company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

| Class of asset                            | Useful Life |
|---|-------------|
| Office equipment                          | 5 Years     |
| Furniture and fixtures                    | 10 Years    |
| Computer (hardware) servers and networks* | 4 Years     |
| Computer (hardware) end user devices*     | 4 Years     |

\* Useful life is different than Schedule II. The Company believes that the rates determined above based on useful lives best represent the period over which the company expects to use these assets.

The company believes that the useful lives as given above best represent the period over which the Management expects to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Schedule II of the Companies Act, 2013.

# Deutsche Investments India Private Limited

## Notes to financial statements (Continued)

For the year ended March 31, 2023

(Currency: Indian Rupees in Millions)

### 2 Summary of Significant accounting policies (Continued)

#### 2.4 Property, plant and equipment (Continued)

Leasehold improvements are depreciated over the residual period of the lease or over a period of 10 years or over the useful life of the leased assets, whichever is shorter.

Depreciation for the entire month is charged in the month of sale if the asset is sold after 15<sup>th</sup> day of the month.

Depreciation is not provided for the month of sale if the asset is sold on or before 15<sup>th</sup> of the month.

Depreciation for the entire month is charged in the month in which the asset is purchased.

Property, Plant and Equipment individually costing up to Rs. 0.03 are fully charged in the Statement of Profit and Loss. However, such assets are capitalised when it forms a part of a project / expansion.

#### 2.5 Intangible assets - computer software

##### Recognition and measurement

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets that are externally purchased are amortised over period of 3 years. Intangibles which are developed in house are amortised over period of 3 years from the date they are put to use.

Intangible assets individually costing up to Rs. 0.03 are fully charged in the Statement of Profit and Loss.

#### 2.6 Foreign currency transactions

##### (i) Functional and Presentation Currency

The financial statements are presented in Indian Rupee (INR) which is the Company's Functional and Presentation Currency.

##### (ii) Transactions and translations

Foreign currency transactions are recorded in the functional currency using the rates of exchange prevailing on the date of the transaction. Exchange differences, if any arising out of transactions settled during the year are recognised in the Statement of Profit and Loss of the year.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rate on that date. The exchange differences, if any, are recognised in the Statement of Profit and Loss and related assets and liabilities are accordingly restated in the Balance Sheet.

#### 2.7 Employee Benefits

##### Provident fund

Provident fund benefit is classified as a defined contribution plan, which is a post – employment benefit plan under which the entity contributes 12% of basic salary as employer's contribution towards Provident Fund maintained with Employees Provident Fund Organisation. The Company's contribution is recognised as an expense and charged to Statement of Profit and Loss during the period in which the employee renders the related service.

##### Other benefits

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the financial year are treated as short term benefits. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

# Deutsche Investments India Private Limited

## Notes to financial statements *(Continued)*

For the year ended March 31, 2023

(Currency: Indian Rupees in Millions)

### 2 Summary of Significant accounting policies *(Continued)*

#### 2.7 Employee Benefits *(continued)*

##### Gratuity

The Company pays gratuity to employees as per provisions of the Payment of Gratuity Act, 1972. Gratuity Scheme is treated as defined benefit plan and provision for gratuity expenses are made based on independent actuarial valuation conducted by a qualified actuary at year-end. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The Company recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability.

Actuarial gains and losses are recognized in full in the period in which they occur in other comprehensive income and presented in equity.

#### 2.8 Taxation

Income tax expense comprises the current tax (i.e. amount of tax for the period, determined in accordance with the Income Tax Act, 1961 and the rules framed there under) and the deferred tax charge or credit reflecting the tax effects of timing differences between accounting income and taxable income for the year.

##### Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. The Company has elected to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019.

##### Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on business plans for the Company. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The Company has re-measured its net deferred tax assets basis the rate prescribed as per the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 which also prohibits the utilization of carried forward Minimum Alternate Tax (MAT) credit from earlier years. The company does not have any MAT credit from earlier years.

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

# Deutsche Investments India Private Limited

## Notes to financial statements *(Continued)*

For the year ended March 31, 2023

(Currency: Indian Rupees in Millions)

### 2 Summary of Significant accounting policies *(Continued)*

#### 2.9 Leases

The Company enters into lease contracts, predominantly for land and buildings, as a lessee.

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, 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 applies a single recognition and measurement approach for all leases with a term of more than 12 months, unless the underlying asset is of low value. As a lessee, at the lease commencement date, the Company recognizes a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments.

The right-of-use asset is measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities.

The cost of right-of-use assets includes the amount of lease liabilities, adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located, less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

The lease liability is measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable and variable lease payments that depend on an index or a rate. Variable lease payments that do not depend on an index or a rate are recognized as expenses in the period in which the event or condition that triggers the payment occurs.

Short term leases are exempt from recognition requirements as per Ind AS 116, accordingly lease charges are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

#### 2.10 Provisions and contingencies

The Company creates a provision when there is a present obligation as a result of past events that probably requires an outflow of resources embodying economic benefits and a reliable estimate can be made of the amount of the obligation. Provisions are determined using best estimates and without discounting the future cash flow as Company expects the settlement to be done within a period of one year immediately following the balance sheet date.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and related income are recognized in the period in which the change occurs.

#### 2.11 Financial instruments

##### 2.11.1 Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition.

Financial assets are classified based on both the business model used for managing the financial assets and the contractual cash flow characteristics of the financial asset (known as Solely Payments of Principal and Interest or "SPPI"). The assessment of business model requires judgment based on facts and circumstances at the date of the adoption of Ind AS 109 and upon initial recognition. As part of this assessment, DI IPL considers factors such as the expected frequency and volume of sales of the assets, how the performance of the underlying business and the financial assets held within that business are evaluated and reported to the management. Business models also take into consideration the risks that affect the performance of the business model and the financial assets held within that business model, in particular, the way in which those market and credit risks are managed.

# Deutsche Investments India Private Limited

## Notes to financial statements (Continued)

For the year ended March 31, 2023

(Currency: Indian Rupees in Millions)

### 2 Summary of Significant accounting policies (Continued)

#### 2.11 Financial instruments (Continued)

##### 2.11.2 Subsequent measurement

###### (i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The carrying amounts of Trade receivables, Trade payables, deposits (other than security deposits placed with Landlord), other receivables, cash and cash equivalents and other bank balances and other liabilities including margin money received from clients are considered to be same as their fair values due to current and short term nature of such balances.

Our historical experience of collecting receivables, supported by the level of default, is that credit risk is low. Accordingly, our provision for expected credit loss on trade receivables is not material.

###### (ii) Financial assets at fair value through other comprehensive income ('FVOCI')

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms or the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values are disclosed. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments, which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

###### (iii) Financial asset at fair value through Statement of Profit or Loss ('FVPL')

A financial asset, which is not classified in any of the above categories, is subsequently fair valued through Statement of Profit or Loss.

###### (iv) Financial Liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination, which is subsequently measured at fair value through Statement of Profit and Loss. For trade and other payables maturing within one year from the Balance Sheet date the carrying amounts approximate fair value due to the short maturity of these instruments.

##### 2.11.3 Derecognition

###### (i) Financial assets

A financial asset is derecognised only when

- The company has transferred the rights to receive cash flows from the financial assets or
- retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the management evaluates whether it has transferred substantially all risks and rewards of ownership of financial assets. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the entity has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

###### (ii) Financial liabilities

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

# Deutsche Investments India Private Limited

## Notes to financial statements (*Continued*)

For the year ended March 31, 2023

(Currency: Indian Rupees in Millions)

### 2 Summary of Significant accounting policies (*Continued*)

#### 2.12 Impairment

##### *Property, Plant and Equipment and Intangible Assets*

Property, plant and equipment and intangible assets are calculated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

#### 2.13 Expected credit loss

The impairment requirements apply to all credit exposures that are measured at amortized cost or FVOCI. For purposes of the impairment policy below, these instruments are referred to as ("Financial Assets"). The determination of impairment losses are where allowances are taken upon initial recognition of the Financial Asset, based on expectations of potential credit losses at the time of initial recognition.

A three stage approach is adopted to impairment for Financial Assets that are not credit-impaired at the date of origination or purchase. This approach is summarized as follows:

– Stage 1: The Company recognizes a credit loss allowance at an amount equal to 12-month expected credit losses. This represents the portion of lifetime expected credit losses from default events that are expected within 12 months of the reporting date, assuming that credit risk has not increased significantly after initial recognition.

– Stage 2: The Company recognizes a credit loss allowance at an amount equal to lifetime expected credit losses for those Financial Assets which are considered to have experienced a significant increase in credit risk since initial recognition. This requires the computation of ECL based on lifetime probability of default, lifetime loss given default and lifetime exposure at default that represents the probability of default occurring over the remaining lifetime of the Financial Asset. Allowance for credit losses are higher in this stage because of an increase in credit risk and the impact of a longer time horizon being considered compared to 12 months in Stage 1.

– Stage 3: The Company recognizes a loss allowance at an amount equal to lifetime expected credit losses, reflecting a Probability of Default of 100 %, via the expected recoverable cash flows for the asset, for those Financial Assets that are credit-impaired. Financial Assets that are credit impaired upon initial recognition are categorized within Stage 3 with a carrying value already reflecting the lifetime expected credit losses.

Forecast of future economic conditions when calculating ECLs are considered. The lifetime expected credit losses are the estimated based on the probability-weighted present value of the difference between 1) the contractual cash flows that are due to the Company under the contract; and 2) the cash flows that the Company expects to receive.

##### *Significant Increase in Credit Risk*

When determining whether the credit risk (i.e., risk of default) of a Financial Asset has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes quantitative and qualitative information based on the Company's historical experience, credit risk assessment and forward-looking information (including macro-economic factors). The assessment of significant credit deterioration is key in determining when to move from measuring an allowance based on 12-month ECLs to one that is based on lifetime ECLs (i.e., transfer from Stage 1 to Stage 2).

##### *Credit-impaired Financial Assets in Stage 3*

The determination of whether a Financial Asset is credit-impaired and therefore in Stage 3 focusses exclusively on default risk, without taking into consideration the effects of credit risk mitigants such as collateral or guarantees. Specifically, a Financial Asset is credit-impaired and in Stage 3 when:

- The Company considers the obligor is unlikely to pay its credit obligations to the Company. Determination may include forbearance actions, where a concession has been granted to the borrower or economic or legal reasons that are qualitative indicators of credit impairment; or
- Contractual payments of either principal or interest by the obligor are past due by more than 90 days.



# Deutsche Investments India Private Limited

## Notes to financial statements (Continued)

For the year ended March 31, 2023

(Currency: Indian Rupees in Millions)

### 2 Summary of Significant accounting policies (Continued)

#### 2.13 Expected credit loss (Continued)

For Financial Assets considered to be credit-impaired, the ECL allowance covers the amount of loss the Company is expected to suffer. The estimation of ECLs is done on a case-by-case basis for non-homogeneous portfolios, or by applying portfolio based parameters to individual Financial Assets in these portfolios via the Company's ECL model for homogeneous portfolios. This estimate includes the use of discounted cash flows that are adjusted for scenarios.

Forecasts of future economic conditions when calculating ECLs are considered. The lifetime expected losses are estimated based on the probability-weighted present value of the difference between the contractual cash flows that are due to the Company under the contract; and the cash flows that the Company expects to receive.

A Financial Asset can be classified as credit-impaired in Stage 3 but without an allowance for credit losses (i.e., no impairment loss is expected). This may be due to the value of collateral. The Company's engine based ECL calculation is conducted on a monthly basis, whereas the case-by-case assessment of ECL in Stage 3 for non-homogeneous portfolio has to be performed at least on a quarterly basis.

#### Collateral for Financial Assets Considered in the Impairment Analysis

Cash flows expected from collateral and other credit enhancement is reflected in the ECL calculation. The following are key aspects with respect to collateral and guarantees:

- Eligibility of collateral, i.e. which collateral should be considered in the ECL calculation;
- Collateral evaluation, i.e. what collateral (liquidation) value should be used; and
- Projection of the available collateral amount over the life of a transaction.

#### Impairment Reserve

As per RBI circular dtd. March 13, 2020, ref. DOR (NBFC).CC.PD.No.109/22.10.106/2019-20, where impairment allowance under Ind AS 109 is lower than the provisioning required under Income Recognition, Asset Classification and Provisioning (including standard asset provisioning), the difference is appropriated from net profit or loss after tax to a separate 'Impairment Reserve'. The balance in the 'Impairment Reserve' is not to be reckoned for regulatory capital. Further, withdrawals will not be made from this reserve without prior permission from the Department of Supervision, RBI.

#### 2.14 Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

#### 2.15 Earnings per share

##### Basic earnings per share

Basic earnings per share is calculated by dividing :

- The profit attributable to owners of The Company
- By weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

##### Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

#### 2.16 Contributed equity

Equity shares are classified as equity.

#### 2.17 Finance Cost

Interest expense are recognised on a time proportionate basis using the effective interest method. The calculation includes significant fees and transaction costs that are integral to the effective interest rate, as well as premiums or discounts.

#### 2.18 Off-setting of financial instruments

Financial assets and financial liabilities are off-set and the net amount is reported in the Balance Sheet if there is a current enforceable legal right to off-set the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### 2.19 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest millions as per the requirement of Schedule III, unless otherwise stated.

# Deutsche Investments India Private Limited

## Notes to financial statements (Continued)

For the year ended March 31, 2023

(Currency: Indian Rupees in Millions)

### 3 Notes to the financial statements

#### 3.1 Financial Instruments

##### 3.1.1 Financial Instruments by category

| Financial instruments by category       | As at March 31, 2023 |              |                 |                      | As at March 31, 2022 |               |                 |                      |
|---|----------------------|--------------|-----------------|----------------------|----------------------|---------------|-----------------|----------------------|
|   | Amortised Cost       | FVPL         | FVOCI           | Total carrying value | Amortised Cost       | FVPL          | FVOCI           | Total carrying value |
| <b>FINANCIAL ASSETS</b>                 |                      |              |                 |                      |                      |               |                 |                      |
| Cash and cash equivalents               | 126.44               | -            | -               | 126.44               | 142.06               | -             | -               | 142.06               |
| Trade Receivable                        | 27.36                | -            | -               | 27.36                | 27.12                | -             | -               | 27.12                |
| Loans                                   | 18,190.72            | -            | 2,917.48        | 21,108.20            | 18,780.69            | -             | 1,729.16        | 20,509.85            |
| Investments                             | 1,823.60             | 24.25        | 933.86          | 2,781.71             | 595.00               | 181.88        | 1,780.97        | 2,557.85             |
| Other financial assets                  | 30.62                | -            | -               | 30.62                | 28.00                | -             | -               | 28.00                |
| <b>Total Financial Assets</b>           | <b>20,198.74</b>     | <b>24.25</b> | <b>3,851.34</b> | <b>24,074.33</b>     | <b>19,572.87</b>     | <b>181.88</b> | <b>3,510.13</b> | <b>23,264.88</b>     |
| <b>FINANCIAL LIABILITIES</b>            |                      |              |                 |                      |                      |               |                 |                      |
| Trade payables                          | 147.79               | -            | -               | 147.79               | 45.03                | -             | -               | 45.03                |
| Other payables                          | 3.89                 | -            | -               | 3.89                 | 3.55                 | -             | -               | 3.55                 |
| Debt securities                         | 12,879.42            | -            | -               | 12,879.42            | 11,564.80            | -             | -               | 11,564.80            |
| Borrowings (other than debt securities) | -                    | -            | -               | -                    | 10.00                | -             | -               | 10.00                |
| Inter-Corporate Deposits                | 2,535.08             | -            | -               | 2,535.08             | 3,041.33             | -             | -               | 3,041.33             |
| Other financial liabilities             | 0.38                 | -            | -               | 0.38                 | 0.51                 | -             | -               | 0.51                 |
| <b>Total Financial Liabilities</b>      | <b>15,566.56</b>     | <b>-</b>     | <b>-</b>        | <b>15,566.56</b>     | <b>14,665.22</b>     | <b>-</b>      | <b>-</b>        | <b>14,665.22</b>     |

##### 3.1.2 Fair value hierarchy

Fair value of the Company's financial instruments, other than those with carrying value amounts that are reasonable approximations of fair values are disclosed. The fair values of financial instruments as referred to in note 3.1.1 above have been classified into the three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements)

The categories used are as follows:

- Level 1 : quoted prices for identical instruments in an active market
- Level 2 : directly or indirectly observable market inputs, other than Level 1 inputs; and
- Level 3 : inputs which are not based on observable market data

| As at March 31, 2023 | Level 1 | Level 2  | Level 3 | Total    |
|----------------------|---------|----------|---------|----------|
| Financial Assets     |         |          |         |          |
| - Investments        | 936.21  | -        | 24.25   | 960.46   |
| - Loans              | -       | 2,917.48 | -       | 2,917.48 |

| As at March 31, 2022 | Level 1  | Level 2  | Level 3 | Total    |
|----------------------|----------|----------|---------|----------|
| Financial Assets     |          |          |         |          |
| - Investments        | 1,785.35 | -        | 181.88  | 1,967.23 |
| - Loans              | -        | 1,729.16 | -       | 1,729.16 |

##### Fair value of financial assets and liabilities measured at amortised cost

|                         | As at March 31, 2023 |             | As at March 31, 2022 |             |
|-------------------------|----------------------|-------------|----------------------|-------------|
|                         | Carrying amount      | Fair value* | Carrying amount      | Fair value* |
| <b>Financial assets</b> |                      |             |                      |             |
| Investments             | 1,823.60             | 2,009.99    | 595.00               | 595.00      |

\* The fair value of credit impaired investments is at carrying value.

The carrying amounts of loans, cash and cash equivalents, other liabilities, security deposits, trade payables other payables, debt securities, margins from clients - loans and other liabilities are considered to be same as their fair values due to current and short term nature of such balances.

##### Assets and liabilities which are measured at amortised cost for which fair values are disclosed

| As at March 31, 2023        | Level 1        | Level 2        | Level 3        | Total        |
|-----------------------------|----------------|----------------|----------------|--------------|
| Financial Assets            |                |                |                |              |
| - Investments               | -              | 1,414.99       | 595.00         | 2,009.99     |
| <b>As at March 31, 2022</b> | <b>Level 1</b> | <b>Level 2</b> | <b>Level 3</b> | <b>Total</b> |
| Financial Assets            |                |                |                |              |
| - Investments               | -              | -              | 595.00         | 595.00       |

# Deutsche Investments India Private Limited

## Notes to financial statements (Continued)

For the year ended March 31, 2023

(Currency: Indian Rupees in Millions)

### 3 Notes to the financial statements (Continued)

#### 3.1.2 Fair value hierarchy (Continued)

##### a) Valuation Technique used to determine fair value

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between knowledgeable and willing parties, other than in a forced or liquidation sale. The valuation techniques used to determine the fair values of financial assets classified as level 2 include use of quoted market prices or dealer quotes for similar instruments and generally accepted pricing models based on a discounted cash flow analysis using rates currently available for debt on similar terms, credit risk and remaining maturities.

##### b) Measurement of fair values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used. There were no transfer of financial instruments within levels.

##### Financial instruments measured at fair value

| Type       | Valuation technique   | Significant unobservable inputs                      |
|------------|---|--|
| Investment | Marked to Market Valuation as per FIMMDA / FBIL guidelines / and other market factor. | Based on recovery rates and valuation of collateral. |
| Loans      | Marked to Market Valuation as per trader mark.  | None   |

\*There were no significant interrelationships between unobservable inputs that materially affect fair value.

#### 3.1.3 Financial risk management

Financial Risk factors: The Company's activities expose it to a variety of financial risks such as market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

##### Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. "It includes interest rate risk and foreign currency risk". The Company's exposure to, and management of these risks is explained below.

##### Interest Rate Risk

Risk arising from the change in value of an investment due to changes relating to Interest Rates. This includes a) Interest Rate Curve (risk arising from changes in Interest Rate Curves), b) Interest Rate Vega (risk arising from changes in the implied volatilities of Interest Rates), c) Interest rate Basis (risk arising from relative changes between Interest rates), and d) Interest Rate Cross Risk (risk arising from valuation dependency on multiple underlying Interest rates).

The majority of the interest rate risk arising from non-trading asset and liability positions, has been transferred through internal transactions to the Treasury Pool Management, subject to banking book value at risk limits. Treasury Pool Management manages the net banking book risk within the approved limits.

The Company is mainly exposed to the interest rate risk due to its investment in government securities, bonds, loan and borrowings essentially in commercial paper. The interest rate risk arises due to uncertainties about the future market interest rate of these instruments.

The exposure to interest rate risk are as follows:

| Particulars                             | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|-------------------------|-------------------------|
| <b>Assets</b>                           |                         |                         |
| Loans                                   | 21,108.50               | 20,510.21               |
| Investments                             | 3,368.50                | 3,069.80                |
| <b>Liabilities</b>                      |                         |                         |
| Debt Securities                         | 12,879.42               | 11,564.80               |
| Borrowings (other than debt securities) | -                       | 10.00                   |
| Inter-corporate Deposit                 | 2,535.08                | 3,041.33                |
| <b>Total</b>                            | <b>9,062.50</b>         | <b>8,963.88</b>         |

# Deutsche Investments India Private Limited

## Notes to financial statements (Continued)

For the year ended March 31, 2023

(Currency: Indian Rupees in Millions)

### 3 Notes to the financial statements (Continued)

#### 3.1.3 Financial risk management (Continued)

##### Interest Rate Risk (Continued)

Value at Risk (VaR) is a one of the key risk management metrics used to monitor and limit the risk of losses that might otherwise be incurred by the entity. The VaR approach derives a quantitative measure for trading book market risks under normal market conditions, estimating the potential future loss (in terms of market value) that will not be exceeded in a defined period of time and with a defined confidence level. VaR calculated daily using Historical simulation model with 99% confidence level and holding period of 1 day.

| Particulars          | VaR  | Sensitivity (PV01) |
|----------------------|------|--------------------|
| As at March 31, 2023 | 7.08 | (0.15)             |
| As at March 31, 2022 | 5.08 | 0.26               |

##### Foreign Currency Risk

The company is a part of Deutsche Bank Group (headquartered in Germany), there are certain expenses that are payable in foreign currencies. This creates foreign exchange risk. However the quantum of exposure is minimal and thus they are unhedged.

The Company's exposure to foreign currency risk as of March 31, 2023 expressed in INR, are as follows:

| Particulars                        | EUR             | USD | Other Currencies | Total           |
|------------------------------------|-----------------|-----|------------------|-----------------|
| Other financial assets             | 2.11            | -   | -                | 2.11            |
| <b>Total financial assets</b>      | <b>2.11</b>     | -   | -                | <b>2.11</b>     |
| Trade payables                     | 139.31          | -   | -                | 139.31          |
| <b>Total financial liabilities</b> | <b>139.31</b>   | -   | -                | <b>139.31</b>   |
| <b>Net assets/ (liabilities)</b>   | <b>(137.20)</b> | -   | -                | <b>(137.20)</b> |

The Company's exposure to foreign currency risk as of March 31, 2022 expressed in INR, are as follows:

| Particulars                        | EUR            | USD           | Other Currencies | Total          |
|------------------------------------|----------------|---------------|------------------|----------------|
| Other financial assets             | 0.92           | -             | -                | 0.92           |
| <b>Total financial assets</b>      | <b>0.92</b>    | -             | -                | <b>0.92</b>    |
| Trade payables                     | 65.04          | 0.82          | 0.06             | 65.92          |
| <b>Total financial liabilities</b> | <b>65.04</b>   | <b>0.82</b>   | <b>0.06</b>      | <b>65.92</b>   |
| <b>Net assets/ (liabilities)</b>   | <b>(64.12)</b> | <b>(0.82)</b> | <b>(0.06)</b>    | <b>(65.00)</b> |

##### Exchange Rates

Year end rates are considered as below

| Currency | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|----------|-------------------------|-------------------------|
| EUR      | 89.44                   | 84.22                   |
| USD      | 82.17                   | 75.79                   |

##### Sensitivity

| Particulars  | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--|-------------------------|-------------------------|
| EUR Sensitivity  |                         |                         |
| INR/EUR -Increase by 6% (Previous year 3%) - Foreign Exchange Gain/ (Loss) | (8.23)                  | (1.76)                  |
| INR/EUR -Decrease by 6% (Previous year 3%) - Foreign Exchange Gain/ (Loss) | 8.23                    | 1.76                    |
| USD Sensitivity  |                         |                         |
| INR/USD -Increase by 2% (Previous year 2%) - Foreign Exchange Gain/ (Loss) | -                       | (0.02)                  |
| INR/USD -Decrease by 2% (Previous year 2%) - Foreign Exchange Gain/ (Loss) | -                       | 0.02                    |

# Deutsche Investments India Private Limited

## Notes to financial statements (Continued)

For the year ended March 31, 2023

(Currency: Indian Rupees in Millions)

### 3 Notes to the financial statements (Continued)

#### 3.1.3 Financial risk management (Continued)

##### Liquidity Risk

Liquidity risk is the risk that the Company will face in meeting its payment obligations associated with its financial liabilities. The Company manages and monitors its daily liquidity position by ensuring it maintains sufficient liquidity buffers in the form of overnight repo/ reverse repos, Fixed deposits, T-bills & Cash. In addition, the Company manages its short term liquidity risk through the use of liquidity stress testing, which is quantified by the potential amount of liquidity outflows and inflows that may materialize in a stress scenario in accordance with the risk management practices of the Company. The firm defines its stressed Net Liquidity Position ("sNLP") as: Liquidity Reserves – Outflows + Inflows, and models sNLP over an 8-week horizon, under 3 different liquidity stress scenarios. The Company maintains a positive "sNLP" throughout an 8 week liquidity stress under the most severe scenario. In addition, the Company also reports external liquidity metrics in its Structural Liquidity Statement as prescribed by the RBI. The liquidity management of the Company is monitored by the Company's ALCO.

The details of the contractual maturities of significant financial assets and liabilities as at March 31, 2023 are as follows:

| Particulars                             | Less than 1 Year | 1-2 Years     | More than 2 Years | Total            |
|---|------------------|---------------|-------------------|------------------|
| Cash equivalents                        | 126.44           | -             | -                 | 126.44           |
| Trade receivable                        | 27.53            | -             | -                 | 27.53            |
| Loans                                   | 21,108.20        | -             | -                 | 21,108.20        |
| Investments                             | 1,192.81         | 192.81        | 3,639.67          | 5,025.29         |
| Other financial assets                  | 30.62            | -             | -                 | 30.62            |
| <b>Total financial assets</b>           | <b>22,485.60</b> | <b>192.81</b> | <b>3,639.67</b>   | <b>26,318.08</b> |
| Trade payables                          | 147.79           | -             | -                 | 147.79           |
| Other payables                          | 3.89             | -             | -                 | 3.89             |
| Debt securities                         | 12,879.42        | -             | -                 | 12,879.42        |
| Borrowings (other than debt securities) | -                | -             | -                 | -                |
| Inter-Corporate Deposits                | 2,681.78         | -             | -                 | 2,681.78         |
| Other financial liabilities             | 0.38             | -             | -                 | 0.38             |
| <b>Total financial liabilities</b>      | <b>15,713.26</b> | <b>-</b>      | <b>-</b>          | <b>15,713.26</b> |

The details of the contractual maturities of significant financial assets and liabilities as at March 31, 2022 are as follows:

| Particulars                             | Less than 1 Year | 1-2 Years     | More than 2 Years | Total            |
|---|------------------|---------------|-------------------|------------------|
| Cash equivalents                        | 142.06           | -             | -                 | 142.06           |
| Trade receivable                        | 27.12            | -             | -                 | 27.12            |
| Loans                                   | 20,509.85        | -             | -                 | 20,509.85        |
| Investments                             | 3,853.20         | -             | -                 | 3,853.20         |
| Other financial assets                  | 28.00            | -             | -                 | 28.00            |
| <b>Total financial assets</b>           | <b>24,560.23</b> | <b>-</b>      | <b>-</b>          | <b>24,560.23</b> |
| Trade payables                          | 45.03            | -             | -                 | 45.03            |
| Other payables                          | 3.55             | -             | -                 | 3.55             |
| Debt securities                         | 11,518.15        | 318.15        | -                 | 11,836.30        |
| Borrowings (other than debt securities) | 10.34            | -             | -                 | 10.34            |
| Inter-Corporate Deposits                | 3,145.85         | -             | -                 | 3,145.85         |
| Other financial liabilities             | 0.51             | -             | -                 | 0.51             |
| <b>Total financial liabilities</b>      | <b>14,723.43</b> | <b>318.15</b> | <b>-</b>          | <b>15,041.58</b> |

##### Borrowing limit from Bank

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|-------------|----------------------|----------------------|
| Drawn       | -                    | 10.00                |
| Undrawn     | 5,000.00             | 4,990.00             |

##### Collateral

Fair value of collateral held by the company which can be sold or repledged

| Particulars  | As at March 31, 2023 | As at March 31, 2022 |
|--|----------------------|----------------------|
| Debt securities received in reverse repo transaction | -                    | -                    |

# Deutsche Investments India Private Limited

## Notes to financial statements (Continued)

For the year ended March 31, 2023

(Currency: Indian Rupees in Millions)

### 3 Notes to the financial statements (Continued)

#### 3.1.3 Financial risk management (Continued)

##### Liquidity Risk (Continued)

##### Funding Concentration based on significant counterparty (borrowings):

| Sr.No. | Number of Significant Counterparties | Amount    | Percentage of Total Deposits | Percentage of Total Liabilities |
|--------|--------------------------------------|-----------|------------------------------|---------------------------------|
| 1      | 8                                    | 15,414.49 | NA                           | 98.88%                          |

##### Top 20 large deposits (amount and percentage of total deposits):

NA

##### Top 10 borrowings (amount and percentage of total borrowings):

| Sr.No. | Name of Borrower                                  | Amount   | Percentage of Total Borrowings |
|--------|---|----------|--------------------------------|
| 1      | Tata Asset Management Private Limited             | 3,626.72 | 23.53                          |
| 2      | Deutsche India Holdings Private Limited           | 2,535.08 | 16.45                          |
| 3      | ICICI Prudential Asset Management Company Limited | 2,476.65 | 16.07                          |
| 4      | Aditya Birla Sun Life AMC Limited                 | 1,949.34 | 12.65                          |
| 5      | HDFC Asset Management Company Limited             | 1,949.34 | 12.65                          |
| 6      | Nippon Life India Asset Management Limited        | 1,570.20 | 10.19                          |
| 7      | DSP Investment Managers Private Limited           | 993.50   | 6.45                           |
| 8      | HDFC Bank Limited                                 | 313.67   | 2.03                           |

##### Funding Concentration based on significant instrument/product:

| Sr.No. | Name of Instrument/ product | Amount    | Percentage of Total Liabilities |
|--------|-----------------------------|-----------|---------------------------------|
| 1      | Commercial Paper            | 12,565.75 | 80.60%                          |
| 2      | Inter-corporate Deposit     | 2,535.08  | 16.26%                          |
| 3      | Non Convertible Debentures  | 313.67    | 2.01%                           |

##### Stock Ratios:

| Sr.No. | Particulars  | Ratio  |
|--------|--|--------|
| 1      | Commercial papers as a % of total public funds   | 97.56% |
| 2      | Commercial papers as a % of total liabilities  | 80.60% |
| 3      | Commercial papers as a % of total assets   | 50.83% |
| 4      | Non Convertible Debentures (original maturity of less than one year) as a % of total public      | 0.00%  |
| 5      | Non Convertible Debentures (original maturity of less than one year) as a % of total liabilities | 0.00%  |
| 6      | Non Convertible Debentures (original maturity of less than one year) as a % of total assets      | 0.00%  |
| 7      | Other short-term liabilities as a % of total public funds  | 0.19%  |
| 8      | Other short-term liabilities as a % of total liabilities   | 0.16%  |
| 9      | Other short-term liabilities as a % of total assets  | 0.10%  |

# Deutsche Investments India Private Limited

## Notes to financial statements (Continued)

For the year ended March 31, 2023

(Currency: Indian Rupees in Millions)

### 3 Notes to the financial statements (Continued)

#### 3.1.3 Financial risk management (Continued)

##### Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss.

##### Trade receivables

Trade receivables represents recoverables from customers of portfolio management services. These balances are recoverable from the portfolio balances of the such customers. Based on historical experience of collecting receivables, supported by the level of default, our assessment of credit risk is minimal. Accordingly, there is no provision made for expected credit loss on trade receivable.

##### Loans

Loans balances represents commercial lending business. Company follows the expected credit loss model to assess the expected losses. The company is also subjected to guidelines as contained in Master Direction applicable to NBFC's. The Company considers the conservative approach while accounting for the credit losses.

##### Investments

The Company generally invests in government securities including treasury bills, debentures, bonds and others. The credit risk is accounted for on the basis of business model associated with such investments. Basis business model, impairment loss or fair valuation changes as prescribed by FIMMDA / FBIL guidelines are considered by the Company.

##### Other financial assets

Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks with high credit ratings assigned by international and domestic credit rating agencies.

##### Credit risk exposure

The details of the credit risk of significant financial assets as at March 31, 2023 are as follows

| Particulars            | Less than 1 Year | 1-2 Years | More than 2 Years | Total     |
|------------------------|------------------|-----------|-------------------|-----------|
| Cash equivalents       | 126.44           | -         | -                 | 126.44    |
| Trade receivable       | 27.36            | -         | -                 | 27.36     |
| Loans                  | 21,108.50        | -         | -                 | 21,108.50 |
| Investments            | 936.21           | -         | 2,432.29          | 3,368.50  |
| Other financial assets | 30.62            | -         | -                 | 30.62     |

The details of the credit risk of significant financial assets as at March 31, 2022 are as follows

| Particulars            | Less than 1 Year | 1-2 Years | More than 2 Years | Total     |
|------------------------|------------------|-----------|-------------------|-----------|
| Cash equivalents       | 142.06           | -         | -                 | 142.06    |
| Trade receivable       | 27.12            | -         | -                 | 27.12     |
| Loans                  | 20,510.21        | -         | -                 | 20,510.21 |
| Investments            | 3,069.80         | -         | -                 | 3,069.80  |
| Other financial assets | 28.00            | -         | -                 | 28.00     |

##### Concentration of Deposits, Advances, Exposures and NPAs

##### Concentration of Deposits (for deposit taking NBFCs)

|   |    |
|---|----|
| Total Deposits of twenty largest depositors   | NA |
| Percentage of Deposits of twenty largest depositors to the Total Deposits of the NBFC | NA |

##### Concentration of Advances

|  |           |
|--|-----------|
| Total Advances to twenty largest borrowers         | 17,844.50 |
| Percentage of Advances to twenty largest borrowers | 85.93     |

##### Concentration of Exposures

|  |           |
|--|-----------|
| Total Exposure to twenty largest borrowers / customers   | 28,800.00 |
| Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers | 55.79     |

# Deutsche Investments India Private Limited

## Notes to financial statements (Continued)

For the year ended March 31, 2023

(Currency: Indian Rupees in Millions)

### 3 Notes to the financial statements (Continued)

#### 3.1.3 Financial risk management (Continued)

##### Concentration of Deposits, Advances, Exposures and NPAs (Continued)

##### Concentration of NPAs

|  |          |
|--|----------|
| Total Exposure to top four NPA accounts* | 1,335.00 |
|--|----------|

\* Exposure is the face value of investment

##### Sector-wise NPAs

| S.No. | Sector                          | Percentage of NPA's to total advances in that sector |
|-------|---------------------------------|--|
| 1     | Agriculture & allied activities | -  |
| 2     | MSME                            | -  |
| 3     | Corporate borrowers             | 8.41%  |
| 4     | Services                        | -  |
| 2     | Unsecured personal loans        | -  |
| 3     | Auto loans                      | -  |
| 4     | Other personal loans            | -  |

##### Comparison between provisions required under Income Recognition, Asset Classification and Provisioning (IRACP) and impairment allowances made under 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)  |
| <b>Performing Assets</b>  |  |                                     |   |                     |  |  |
| Standard  | Stage 1                                | 19,213.75                           | 31.74   | 19,182.01           | 76.86                                  | (45.12)  |
|   | Stage 2                                | 217.50                              | 0.00  | 217.50              | 0.87                                   | (0.87)   |
| <b>Subtotal</b>   |  | <b>19,431.25</b>                    | <b>31.74</b>  | <b>19,399.51</b>    | <b>77.73</b>                           | <b>(45.99)</b>   |
| <b>Non-Performing Assets (NPA)</b>  |  |                                     |   |                     |  |  |
| Substandard   | Stage 3                                | -                                   | -   | -                   | -                                      | -  |
| Doubtful - up to 1 year   | Stage 3                                | -                                   | -   | -                   | -                                      | -  |
| 1 to 3 years*   | Stage 3                                | 485.00                              | 460.75  | 24.25               | 344.65                                 | 116.10*  |
| More than 3 years   | Stage 3                                | 850.00                              | 255.00  | 595.00              | 425.00                                 | (170.00)   |
| <b>Subtotal for doubtful</b>  |  | <b>1,335.00</b>                     | <b>715.75</b>   | <b>619.25</b>       | <b>769.65</b>                          | <b>(170.00)</b>  |
| Loss  | Stage 3                                | -                                   | -   | -                   | -                                      | -  |
| <b>Subtotal for NPA</b>   |  | <b>1,335.00</b>                     | <b>715.75</b>   | <b>619.25</b>       | <b>769.65</b>                          | <b>(170.00)</b>  |
| 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                                | 0.25                                | 0.00  | 0.25                | -                                      | -  |
|   | Stage 2                                | 1.01                                | 0.17  | 0.84                | -                                      | -  |
|   | Stage 3                                | -                                   | -   | -                   | -                                      | -  |
| <b>Subtotal</b>   |  | <b>1.26</b>                         | <b>0.17</b>   | <b>1.09</b>         | <b>-</b>                               | <b>-</b>   |
| <b>Total</b>  | <b>Stage 1</b>                         | <b>19,214.00</b>                    | <b>31.74</b>  | <b>19,182.26</b>    | <b>76.86</b>                           | <b>(45.12)</b>   |
|   | <b>Stage 2</b>                         | <b>218.51</b>                       | <b>0.17</b>   | <b>218.34</b>       | <b>0.87</b>                            | <b>(0.87)</b>  |
|   | <b>Stage 3</b>                         | <b>1,335.00</b>                     | <b>715.75</b>   | <b>619.25</b>       | <b>769.65</b>                          | <b>(170.00)*</b>   |
|   | <b>Total</b>                           | <b>20,767.51</b>                    | <b>747.66</b>   | <b>20,019.85</b>    | <b>847.38</b>                          | <b>(215.99)*</b>   |

\* The benefit of excess of loss allowance as per INDAS 109 over provisioning as per IRACP norms, has not been availed for purposes of Impairment reserve.



# Deutsche Investments India Private Limited

## Notes to financial statements (Continued) For the year ended March 31, 2023

(Currency: Indian Rupees in Millions)

### 3 Notes to the financial statements (Continued)

#### 3.1.3 Financial risk management (Continued)

##### Expected credit loss for loans and investments

| Particulars   |  | Asset Group                   | Estimated gross carrying amount at default | Expected probability of default | Expected credit losses | Carrying amount net of impairment provision |
|---|--|-------------------------------|--|---------------------------------|------------------------|---|
| Loss allowance measured at 12 month expected credit losses  | Financial assets for which credit risk has not increased significantly since initial recognition | Investments at amortised cost | 1,260.04                                   | 2.50%                           | 31.44                  | 1,228.60                                    |
|   |  | Investments at FVOCI          | 936.21                                     | 0.25%                           | 2.35                   | 933.86                                      |
|   |  | Loans                         | 18,191.02                                  | 0.00%                           | 0.30                   | 18,190.72                                   |
| Loss allowance measured at life-time expected credit losses | Financial assets for which credit risk has increased significantly since initial recognition     | Investments at amortised cost | 1,148.00                                   | 48.17%                          | 553.00                 | 595.00                                      |
|   |  | Loans                         | -  | -                               | -                      | -   |

##### Expected credit loss for loans and investments - (Previous year)

| Particulars   |  | Asset Group                   | Estimated gross carrying amount at default | Expected probability of default | Expected credit losses | Carrying amount net of impairment provision |
|---|--|-------------------------------|--|---------------------------------|------------------------|---|
| Loss allowance measured at 12 month expected credit losses  | Financial assets for which credit risk has not increased significantly since initial recognition | Investments at amortised cost | -  | -                               | -                      | -   |
|   |  | Investments at FVOCI          | 1,785.35                                   | 0.25%                           | 4.38                   | 1,780.97                                    |
|   |  | Loans                         | 18,781.05                                  | 0.00%                           | 0.36                   | 18,780.69                                   |
| Loss allowance measured at life-time expected credit losses | Financial assets for which credit risk has increased significantly since initial recognition     | Investments at amortised cost | 1,102.57                                   | 46.03%                          | 507.57                 | 595.00                                      |
|   |  | Loans                         | -  | -                               | -                      | -   |

##### Reconciliation of loss allowance provision- Loans and investments

| Reconciliation of loss allowance   | allowance measured at 12 month expected losses | Financial assets for which credit risk has increased significantly and not credit impaired | Financial assets for which credit risk has increased significantly and credit impaired |
|--|--|--|--|
| <b>Loss allowance on April 1, 2021</b>                                       | 0.52   | -  | 359.04   |
| Add (Less): Changes in loss allowances due to Assets originated or purchased | -  | -  | -  |
| Modification of contractual cash flows that did not result in derecognition  | -  | -  | -  |
| Write – offs   | -  | -  | -  |
| Recoveries   | -  | -  | -  |
| Changes in risk parameters   | -  | -  | 148.53   |
| Net remeasurement of loss allowance  | 4.22   | -  | -  |
| <b>Loss allowance on March 31, 2022</b>                                      | 4.74   | -  | 507.57   |
| Add (Less): Changes in loss allowances due to Assets originated or purchased | 31.44  | -  | -  |
| Modification of contractual cash flows that did not result in derecognition  | -  | -  | -  |
| Write – offs   | -  | -  | -  |
| Recoveries   | -  | -  | -  |
| Changes in risk parameters   | -  | -  | 45.44  |
| Net remeasurement of loss allowance  | (2.09)   | -  | -  |
| <b>Loss allowance on March 31, 2023</b>                                      | <b>34.09</b>                                   | -  | <b>553.01</b>  |

## Deutsche Investments India Private Limited

### Notes to financial statements (Continued)

For the year ended March 31, 2023

(Currency: Indian Rupees in Millions)

### 3 Notes to the financial statements (Continued)

#### 3.1.3 Financial risk management (Continued)

##### *Off-setting of financial instruments*

The following table presents the financial assets and collaterals on which the company has a right to sell or off-set in absence of default. However, the financial assets have not been off-set with the amount of respective collaterals in the balance sheet and captured in the below table for the purpose of disclosure:

| Particulars                    | Gross Amounts | Gross amounts set-off in the balance sheet | Net amounts presented in the balance sheet | Fair value of collaterals Obtained** |
|--------------------------------|---------------|--|--|--------------------------------------|
| As at March 31, 2023           |               |  |  |                                      |
| - Term loans at amortised cost | 18,191.02     | -  | 18,191.02                                  | 18,191.02                            |
| <b>Total</b>                   | 18,191.02     | -  | 18,191.02                                  | 18,191.02                            |
| As at March 31, 2022           |               |  |  |                                      |
| - Term loans at amortised cost | 18,781.05     | -  | 18,781.05                                  | 18,781.05                            |
| <b>Total</b>                   | 18,781.05     | -  | 18,781.05                                  | 18,781.05                            |

\*\*Company obtains financial collateral from its borrowers towards loans advanced as Loans Against Securities (LAS). Fair value of the financial collateral obtained is more than the underlying loan exposure. Accordingly, amounts have been capped to the extent it does not exceed the net amount of financial assets presented on the balance sheet. Off-setting rights will trigger on happening of certain events as mentioned in the respective agreement with borrower.

# Deutsche Investments India Private Limited

## Notes to financial statements (Continued)

For the year ended March 31, 2023

(Currency: Indian Rupees in Millions)

### 3 Notes to the financial statements (Continued)

#### 3.1.4 Capital Management

i) The Company considers the following components of its Balance Sheet to manage capital

- Equity Shares
- Retained Profits
- Securities premium reserve
- Statutory reserve

ii) The Company's capital management objectives are to hold capital sufficient to :

- Operate in compliance with regulatory requirements.
- Retain flexibility to take advantage of future growth opportunities.
- Be well capitalized and funded to meet strategic objectives & support underlying risks of business.

iii) Compliance with externally imposed capital requirements

- As per the Reserve Bank of India Act, 1934, the Company shall maintain a minimum capital ratio consisting of Tier I and Tier II capital which shall not be less than 15 percent of its aggregate risk weighted assets on-balance sheet and of risk adjusted value of off-balance sheet items. During the year, the same has been maintained above the regulatory requirement by the Company.

- The company duly complied with above stated capital requirements.

#### Capital

| Items   | Numerator | Denominator | 2023   | 2022   | % Variance | Reason for Variance( if above 25%) |
|---|-----------|-------------|--------|--------|------------|------------------------------------|
| CRAR (%)  | 8,633.09  | 20,077.66   | 43.00% | 45.05% | -2.05%     | NA                                 |
| CRAR - Tier I capital (%)                               | 8,632.80  | 20,077.66   | 43.00% | 45.04% | -2.05%     | NA                                 |
| CRAR - Tier II Capital (%)                              | 0.30      | 20,077.66   | 0.00%  | 0.00%  | 0.00%      | NA                                 |
| Liquidity Coverage Ratio                                | -         | -           | NA     | NA     | NA         | NA                                 |
| Amount of subordinated debt raised as Tier - II capital | -         | -           | -      | -      | 0.00%      | NA                                 |
| Amount raised by issue of Perpetual Debt Instruments    | -         | -           | -      | -      | 0.00%      | NA                                 |

iv) Dividend

- The Company has paid Interim Equity Dividend of Rs. 1.78 (Previous year Rs. 3.25) per share. This has resulted in cash outflow of Rs. 94.14 (Previous year Rs. 171.88).

As at  
March 31, 2023

As at  
March 31, 2022

#### 4. Cash and cash equivalents

##### Cash and cash equivalents

- Balances in current accounts
- Bank deposits with original maturity of 3 months or less

Total cash and cash equivalents

Allowance for Impairment loss

**Total**

126.44

142.06

-

-

126.44

142.06

-

-

126.44

142.06

#### 5. Trade receivables

Trade receivables (refer note 32.34)

Receivables considered good - Unsecured

Allowance for Impairment loss

**Total**

27.53

27.12

0.17

-

27.36

27.12

**Deutsche Investments India Private Limited**  
Notes to the financial statements (Continued)

As at March 31, 2023

(Currency: Indian Rupees in Millions)

**6. Loans**

|   | As at March 31, 2023 |                                    |                         |                 | As at March 31, 2022 |                  |                                    |                         |                 |                  |
|---|----------------------|------------------------------------|-------------------------|-----------------|----------------------|------------------|------------------------------------|-------------------------|-----------------|------------------|
|   | Amortised cost       | Through other comprehensive income | Through profit or loss* | Subtotal        | Total                | Amortised cost   | Through other comprehensive income | Through profit or loss* | Subtotal        | Total            |
|   | (1)                  | (2)                                | (3)                     | (4=2+3)         | (5=1+4)              | (6)              | (7)                                | (8)                     | (9=7+8)         | (10=6+9)         |
| <b>Loans</b>                                |                      |                                    |                         |                 |                      |                  |                                    |                         |                 |                  |
| (A)   |                      |                                    |                         |                 |                      |                  |                                    |                         |                 |                  |
| (i) Term loans                              | 18,191.02            | -                                  | -                       | -               | 18,191.02            | 18,781.05        | -                                  | -                       | -               | 18,781.05        |
| (ii) Collateralised lending obligation      | -                    | 2,917.48                           | -                       | 2,917.48        | 2,917.48             | 1,729.16         | 1,729.16                           | -                       | 1,729.16        | 1,729.16         |
| <b>Total (A) - Gross</b>                    | <b>18,191.02</b>     | <b>2,917.48</b>                    | <b>-</b>                | <b>2,917.48</b> | <b>21,108.50</b>     | <b>18,781.05</b> | <b>1,729.16</b>                    | <b>-</b>                | <b>1,729.16</b> | <b>20,510.21</b> |
| Less: Impairment loss allowance             | 0.30                 | -                                  | -                       | -               | 0.30                 | 0.36             | -                                  | -                       | -               | 0.36             |
| <b>Total (A) - Net</b>                      | <b>18,190.72</b>     | <b>2,917.48</b>                    | <b>-</b>                | <b>2,917.48</b> | <b>21,108.20</b>     | <b>18,780.69</b> | <b>1,729.16</b>                    | <b>-</b>                | <b>1,729.16</b> | <b>20,509.85</b> |
| (B)   |                      |                                    |                         |                 |                      |                  |                                    |                         |                 |                  |
| (i) Secured by tangible assets              | 18,191.02            | -                                  | -                       | -               | 18,191.02            | 18,781.05        | -                                  | -                       | -               | 18,781.05        |
| (ii) Secured by intangible assets           | -                    | -                                  | -                       | -               | -                    | -                | -                                  | -                       | -               | -                |
| (iii) Covered by Bank/Government Guarantees | -                    | 2,917.48                           | -                       | 2,917.48        | 2,917.48             | -                | 1,729.16                           | -                       | 1,729.16        | 1,729.16         |
| (iv) Unsecured                              | -                    | -                                  | -                       | -               | -                    | -                | -                                  | -                       | -               | -                |
| <b>Total (B) - Gross</b>                    | <b>18,191.02</b>     | <b>2,917.48</b>                    | <b>-</b>                | <b>2,917.48</b> | <b>21,108.50</b>     | <b>18,781.05</b> | <b>1,729.16</b>                    | <b>-</b>                | <b>1,729.16</b> | <b>20,510.21</b> |
| Less: Impairment loss allowance             | 0.30                 | -                                  | -                       | -               | 0.30                 | 0.36             | -                                  | -                       | -               | 0.36             |
| <b>Total (B) - Net</b>                      | <b>18,190.72</b>     | <b>2,917.48</b>                    | <b>-</b>                | <b>2,917.48</b> | <b>21,108.20</b>     | <b>18,780.69</b> | <b>1,729.16</b>                    | <b>-</b>                | <b>1,729.16</b> | <b>20,509.85</b> |
| (C)   |                      |                                    |                         |                 |                      |                  |                                    |                         |                 |                  |
| (i) Loans in India                          | -                    | -                                  | -                       | -               | -                    | -                | -                                  | -                       | -               | -                |
| (ii) Public Sector                          | -                    | -                                  | -                       | -               | -                    | -                | -                                  | -                       | -               | -                |
| (iii) Others                                | 18,191.02            | 2,917.48                           | -                       | 2,917.48        | 21,108.50            | 18,781.05        | 1,729.16                           | -                       | 1,729.16        | 20,510.21        |
| <b>Total (C) - Gross</b>                    | <b>18,191.02</b>     | <b>2,917.48</b>                    | <b>-</b>                | <b>2,917.48</b> | <b>21,108.50</b>     | <b>18,781.05</b> | <b>1,729.16</b>                    | <b>-</b>                | <b>1,729.16</b> | <b>20,510.21</b> |
| Less: Impairment loss allowance             | 0.30                 | -                                  | -                       | -               | 0.30                 | 0.36             | -                                  | -                       | -               | 0.36             |
| <b>Total (C) (I) - Net</b>                  | <b>18,190.72</b>     | <b>2,917.48</b>                    | <b>-</b>                | <b>2,917.48</b> | <b>21,108.20</b>     | <b>18,780.69</b> | <b>1,729.16</b>                    | <b>-</b>                | <b>1,729.16</b> | <b>20,509.85</b> |
| (D) Loans outside India                     | -                    | -                                  | -                       | -               | -                    | -                | -                                  | -                       | -               | -                |
| Less: Impairment loss allowance             | -                    | -                                  | -                       | -               | -                    | -                | -                                  | -                       | -               | -                |
| <b>Total (C) (II) - Net</b>                 | <b>-</b>             | <b>-</b>                           | <b>-</b>                | <b>-</b>        | <b>-</b>             | <b>-</b>         | <b>-</b>                           | <b>-</b>                | <b>-</b>        | <b>-</b>         |
| <b>Total (C) (I) and C(II)</b>              | <b>18,190.72</b>     | <b>2,917.48</b>                    | <b>-</b>                | <b>2,917.48</b> | <b>21,108.20</b>     | <b>18,780.69</b> | <b>1,729.16</b>                    | <b>-</b>                | <b>1,729.16</b> | <b>20,509.85</b> |

**Deutsche Investments India Private Limited**  
Notes to the financial statements (Continued)

As at March 31, 2023

(Currency: Indian Rupees in Millions)

**7. Investments**

|   | As at March 31, 2023          |                     |                       |                  | As at March 31, 2022                      |                               |                       |                  |
|---|-------------------------------|---------------------|-----------------------|------------------|---|-------------------------------|-----------------------|------------------|
|   | At fair value                 |                     | Amortised cost<br>(1) | Total<br>(5=1+4) | At fair value                             |                               | Amortised cost<br>(1) | Total<br>(5=1+4) |
| Through other comprehensive income<br>(2) | Through profit or loss<br>(3) | Subtotal<br>(4=2+3) |                       |                  | Through other comprehensive income<br>(2) | Through profit or loss<br>(3) |                       |                  |
| Debt securities                           | 936.21                        | 24.25               | 960.46                | 3,368.50         | 1,785.35                                  | 181.88                        | 3,069.80              |                  |
| <b>Total – Gross (A)</b>                  | <b>936.21</b>                 | <b>24.25</b>        | <b>960.46</b>         | <b>3,368.50</b>  | <b>1,785.35</b>                           | <b>181.88</b>                 | <b>3,069.80</b>       |                  |
| (i) Investments outside India             | -                             | -                   | -                     | -                | -   | -                             | -                     |                  |
| (ii) Investments in India                 | 936.21                        | 24.25               | 960.46                | 3,368.50         | 1,785.35                                  | 181.88                        | 3,069.80              |                  |
| <b>Total (B)</b>                          | <b>936.21</b>                 | <b>24.25</b>        | <b>960.46</b>         | <b>3,368.50</b>  | <b>1,785.35</b>                           | <b>181.88</b>                 | <b>3,069.80</b>       |                  |
| Less: Allowance for Impairment loss (C)   | 2.35                          | -                   | 2.35                  | 586.79           | 4.38                                      | -                             | 511.95                |                  |
| <b>Total – Net D= (A)-(C)</b>             | <b>933.86</b>                 | <b>24.25</b>        | <b>958.11</b>         | <b>2,781.71</b>  | <b>1,780.97</b>                           | <b>181.88</b>                 | <b>2,557.85</b>       |                  |

## Deutsche Investments India Private Limited

### Notes to the financial statements (Continued)

As at March 31, 2023

(Currency: Indian Rupees in Millions)

|   | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|-------------------------|-------------------------|
| <b>8. Other financial assets</b>  |                         |                         |
| Security deposits   | 26.60                   | 26.10                   |
| Expense Recovery Fund (NSE)   | 0.03                    | 0.03                    |
| Interest accrued on deposits with The Clearing Corporation of India Limited                                 | 0.22                    | 0.09                    |
| Receivable from Group Companies   | 3.77                    | 1.78                    |
| <b>Total</b>  | <b>30.62</b>            | <b>28.00</b>            |
| <b>9. Current tax assets (Net)</b>  |                         |                         |
| <b>Others, Unsecured and considered good</b>  |                         |                         |
| Advance tax and tax deducted at source [net of provision for tax Rs. 2,798.46 (Previous year Rs. 2,702.45)] | 362.75                  | 323.80                  |
| <b>Total</b>  | <b>362.75</b>           | <b>323.80</b>           |

**Deutsche Investments India Private Limited**  
**Notes to the financial statements (Continued)**  
*As at March 31, 2023*

(Currency: Indian Rupees in Millions)

**10. Property, plant and equipment**

| Description                          | Gross block            |             |             | Depreciation            |                        | Net block                               |                         |
|--------------------------------------|------------------------|-------------|-------------|-------------------------|------------------------|---|-------------------------|
|                                      | As at<br>April 1, 2022 | Additions   | Deductions  | As at<br>March 31, 2023 | As at<br>April 1, 2022 | For the year<br>ended<br>March 31, 2023 | As at<br>March 31, 2023 |
| Furniture and fixtures               | 0.79                   | -           | 0.14        | 0.65                    | 0.25                   | 0.06                                    | 0.48                    |
| Office equipments                    | 0.33                   | 0.06        | 0.07        | 0.32                    | 0.19                   | 0.05                                    | 0.15                    |
| Computer hardware - end user devices | 2.01                   | 0.45        | 0.23        | 2.23                    | 1.40                   | 0.46                                    | 0.60                    |
| <b>Total</b>                         | <b>3.13</b>            | <b>0.51</b> | <b>0.44</b> | <b>3.20</b>             | <b>1.84</b>            | <b>0.57</b>                             | <b>1.23</b>             |

**11 Depreciation and amortisation expense**

| Particulars                   | For the year ended |                |
|-------------------------------|--------------------|----------------|
|                               | March 31, 2023     | March 31, 2022 |
| Property, plant and equipment | 0.57               | 0.41           |
| <b>Total</b>                  | <b>0.57</b>        | <b>0.41</b>    |

**Deutsche Investments India Private Limited**  
**Notes to the financial statements (Continued)**  
*As at March 31, 2023*

(Currency: Indian Rupees in Millions)

**10. Property, plant and equipment (Previous year)**

| Description                          | As at<br>April 1, 2021 | Gross block             |             |            | Depreciation |            | Net block<br>As at<br>March 31, 2022 |
|--------------------------------------|------------------------|-------------------------|-------------|------------|--------------|------------|--------------------------------------|
|                                      |                        | As at<br>March 31, 2022 | Additions   | Deductions | For the year | Deductions |                                      |
| Furniture and fixtures               | 0.57                   | 0.79                    | 0.22        | -          | 0.06         | -          | 0.54                                 |
| Office equipments                    | 0.29                   | 0.33                    | 0.04        | -          | 0.04         | -          | 0.14                                 |
| Computer hardware - end user devices | 2.01                   | 2.01                    | -           | -          | 0.31         | -          | 0.61                                 |
| <b>Total</b>                         | <b>2.87</b>            | <b>3.13</b>             | <b>0.26</b> | <b>-</b>   | <b>0.41</b>  | <b>-</b>   | <b>1.29</b>                          |



## Deutsche Investments India Private Limited

### Notes to the financial statements (Continued)

As at March 31, 2023

(Currency: Indian Rupees in Millions)

|   | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|-------------------------|-------------------------|
| <b>12. Other non-financial assets</b>   |                         |                         |
| GST / Service tax credit receivable   | -                       | 0.08                    |
| Prepaid expenses  | 1.04                    | 1.29                    |
| Other receivables   | 0.87                    | 0.63                    |
| <b>Total</b>  | <b>1.91</b>             | <b>2.00</b>             |
| <b>13. Trade payables (refer note 32.35)</b>  |                         |                         |
| <b>Total outstanding dues of micro enterprises and small enterprises (refer note 32.9)</b>                    | -                       | -                       |
| <b>Total outstanding dues of creditors other than micro enterprises and small enterprises</b>                 |                         |                         |
| Payable to group companies (refer note 32.3)  | 147.79                  | 45.03                   |
| <b>Total</b>  | <b>147.79</b>           | <b>45.03</b>            |
| <b>14. Other payables</b>   |                         |                         |
| <b>Total outstanding dues of micro enterprises and small enterprises (refer note 32.9)</b>                    | 0.87                    | 0.21                    |
| <b>Total outstanding dues of creditors other than micro enterprises and small enterprises</b>                 |                         |                         |
| Others  | 3.02                    | 3.34                    |
| <b>Total</b>  | <b>3.89</b>             | <b>3.55</b>             |
| <b>15. Debt Securities</b>  |                         |                         |
| <b>Unsecured</b>  |                         |                         |
| Commercial papers* (valued at amortized cost)   | 12,565.75               | 11,251.13               |
| Non Convertible Debentures (valued at amortized cost)   | 313.67                  | 313.67                  |
| <b>Total</b>  | <b>12,879.42</b>        | <b>11,564.80</b>        |
| Debt securities in India  | 12,879.42               | 11,564.80               |
| Debt securities outside India   | -                       | -                       |
| <b>Total</b>  | <b>12,879.42</b>        | <b>11,564.80</b>        |
| * Commercial papers are issued at interest rate between 4.60% to 8.45% having maturity of less than one year. |                         |                         |
| <b>16. Borrowings (Other than Debt Securities)</b>  |                         |                         |
| <b>Unsecured</b>  |                         |                         |
| Term Loans (valued at amortized cost)   |                         |                         |
| From Banks  | -                       | 10.00                   |
| From Other Parties  | -                       | -                       |
| <b>Total</b>  | <b>-</b>                | <b>10.00</b>            |
| Borrowings (other than Debt Securities) in India  | -                       | 10.00                   |
| Borrowings (other than Debt Securities) outside India   | -                       | -                       |
| <b>Total</b>  | <b>-</b>                | <b>10.00</b>            |
| <b>17. Deposits</b>   |                         |                         |
| <b>Unsecured</b>  |                         |                         |
| Deposit (valued at amortized cost)  |                         |                         |
| From Banks  | -                       | -                       |
| From Other Parties  | 2,535.08                | 3,041.33                |
| <b>Total</b>  | <b>2,535.08</b>         | <b>3,041.33</b>         |

## Deutsche Investments India Private Limited

### Notes to the financial statements (Continued)

As at March 31, 2023

(Currency: Indian Rupees in Millions)

|  | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--|-------------------------|-------------------------|
| <b>18. Other financial liabilities</b>   |                         |                         |
| Margins from clients - loan  | 0.08                    | 0.41                    |
| Other liabilities  | 0.30                    | 0.10                    |
| <b>Total</b>   | <u>0.38</u>             | <u>0.51</u>             |
| <b>19. Current tax liabilities (Net)</b>   |                         |                         |
| Provision for income tax [net of advance tax and tax deducted at source Rs. 428.92 (Previous year Rs. 428.92)] | 7.88                    | 7.88                    |
| <b>Total</b>   | <u>7.88</u>             | <u>7.88</u>             |
| <b>20. Provisions</b>  |                         |                         |
| <b>Provisions for employee benefits</b>  |                         |                         |
| - Gratuity (refer note 32.1)   | 2.39                    | 1.56                    |
| - Compensated absences   | 0.66                    | 0.54                    |
| - Equity based & global shares purchase plan   | 0.02                    | -                       |
| - Bonus  | 4.09                    | 2.70                    |
| <b>Total</b>   | <u>7.16</u>             | <u>4.80</u>             |
| <b>21. Other non-financial liabilities</b>   |                         |                         |
| Statutory dues   | 7.88                    | 6.80                    |
| <b>Total</b>   | <u>7.88</u>             | <u>6.80</u>             |

# Deutsche Investments India Private Limited

## Notes to the financial statements (Continued)

As at March 31, 2023

(Currency: Indian Rupees in Millions)

|  | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--|-------------------------|-------------------------|
| <b>22. Share capital</b>   |                         |                         |
| <b>Authorised</b>  |                         |                         |
| 55,000,000 (Previous year: 55,000,000) equity shares of Rs 10 each               | 550.00                  | 550.00                  |
| <b>Total</b>   | <u>550.00</u>           | <u>550.00</u>           |
| <b>Issued, subscribed and paid up</b>  |                         |                         |
| 52,885,000 (Previous year: 52,885,000) equity shares of Rs 10 each fully paid up | 528.85                  | 528.85                  |
| <b>Total</b>   | <u>528.85</u>           | <u>528.85</u>           |

80.95% (Previous year: 80.95%) 42,812,500 shares of the issued, subscribed and paid up capital is held by Deutsche Asia Pacific Holding Pte Limited, the promoter holding company.

19.05% (Previous year: 19.05%) 10,072,500 shares of the issued, subscribed and paid up capital is held by Deutsche India Holdings Private Limited, the promoter company. Deutsche Asia Pacific Holding Pte Limited is the holding company of Deutsche India Holdings Private Limited and Deutsche Bank AG is the ultimate holding company.

Shareholding structure of the company is not changed during the year.

a) **Reconciliation of the number of shares**

|   |                   |                   |
|---|-------------------|-------------------|
| Number of shares outstanding at the beginning of the year | 52,885,000        | 52,885,000        |
| Number of shares outstanding at the end of the year       | <u>52,885,000</u> | <u>52,885,000</u> |

**Reconciliation for the share capital**

|  |               |               |
|--|---------------|---------------|
| Share capital outstanding at the beginning of the year | 528.85        | 528.85        |
| Share capital outstanding at the end of the year       | <u>528.85</u> | <u>528.85</u> |

b) **Terms / rights attached to Equity Shares**

The Company has only one class of equity shares having face value of Rs. 10 each, each holder of an equity share is entitled to one vote per share.

The holders of Equity Shares are entitled to dividends, if any, proposed by the Board of Directors and approved by Shareholders at the Annual General Meeting, except in case of Interim dividends.

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

**Deutsche Investments India Private Limited**  
Notes to the financial statements (Continued)

For the year ended March 31, 2023

(Currency: Indian Rupees in Millions)

**23. Interest Income**

| Particulars                                   | For the year ended<br>March 31, 2023  |   |                 | For the year ended<br>March 31, 2022  |   |   |                 |
|---|---|---|-----------------|---|---|---|-----------------|
|   | On Financial Assets measured at Amortised Cost (at Effective Interest Rate) | Interest Income on Financial Assets classified at fair value through profit or loss | Total           | On Financial Assets measured at fair value through OCI (at Effective Interest Rate) | On Financial Assets measured at Amortised Cost (at Effective Interest Rate) | Interest Income on Financial Assets classified at fair value through profit or loss | Total           |
| Interest on Loans                             | -   | -   | <b>1,184.52</b> | -   | 1,343.87  | -   | 1,343.87        |
| Interest income from investments              | 69.79   | -   | 55.47           | 28.58   | 63.60   | -   | 92.18           |
| Interest on deposits with Banks               | -   | -   | 0.92            | -   | 4.81  | -   | 4.81            |
| Interest on collateralised lending obligation | 157.08  | -   | -               | 74.63   | -   | -   | 74.63           |
| Other interest Income                         | -   | -   | 3.68            | -   | 0.28  | -   | 0.28            |
| <b>Total</b>                                  | <b>226.87</b>   | <b>-</b>  | <b>1,244.59</b> | <b>103.21</b>   | <b>1,412.56</b>   | <b>-</b>  | <b>1,515.77</b> |

**24. Net loss on fair value changes**

| Particulars   | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
|---|--------------------------------------|--------------------------------------|
| (A) Net gain/(loss) on financial instruments at fair value through profit or loss |                                      |                                      |
| (i) On trading portfolio  |                                      |                                      |
| - Investments   | (157.63)                             | (133.41)                             |
| (ii) On financial instruments designated at fair value through profit or loss     | -                                    | 12.00                                |
| (B) Others  | -                                    | -                                    |
| Total Net gain/(loss) on fair value changes (C)                                   | (157.63)                             | (121.41)                             |
| Fair Value changes:   |                                      |                                      |
| - Realised  |                                      | 12.00                                |
| - Unrealised  | (157.63)                             | (133.41)                             |
| Total Net gain/(loss) on fair value changes (D)                                   | (157.63)                             | (121.41)                             |

## Deutsche Investments India Private Limited

### Notes to the financial statements (Continued)

For the year ended March 31, 2023

(Currency: Indian Rupees in Millions)

|  | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
|--|--------------------------------------|--------------------------------------|
| <b>25. Revenue from contracts with customers</b>   |                                      |                                      |
| Portfolio management services fees   | 103.85                               | 100.55                               |
| Custody fees   | 17.72                                | 16.80                                |
| Less: Reimbursement of custody fees  | (17.72)                              | (16.80)                              |
| <b>Total</b>   | <b>103.85</b>                        | <b>100.55</b>                        |
| <b>26. Other income</b>  |                                      |                                      |
| Net gain/(loss) on foreign currency transaction and translation<br>(other than considered as finance cost)   | (5.58)                               | (0.12)                               |
| <b>Total</b>   | <b>(5.58)</b>                        | <b>(0.12)</b>                        |
| <b>27. Fees and commission expense</b>   |                                      |                                      |
| Brokerage & other transaction charges  | 1.67                                 | 1.34                                 |
| Referral fees paid   | 50.58                                | 50.33                                |
| <b>Total</b>   | <b>52.25</b>                         | <b>51.67</b>                         |
| <b>28. Employee benefits expenses</b>  |                                      |                                      |
| Salaries and wages   | 165.94                               | 127.37                               |
| Contribution to provident and other funds  | 6.45                                 | 5.68                                 |
| Share based payment to employees   | 0.01                                 | -                                    |
| Staff welfare expenses   | 0.61                                 | 0.22                                 |
| <b>Total</b>   | <b>173.01</b>                        | <b>133.27</b>                        |
| <p>Payments made to/received from Deutsche Bank AG, India branches and other group companies towards salaries, provident fund / gratuity / pension / compensated absences and other benefits of these employees, whose services are rendered to the Company/by the Company on deputation basis, are regarded as adjusted against Company's Employee benefits expenses.</p> |                                      |                                      |
| <b>29. Other expenses</b>  |                                      |                                      |
| Rent, taxes and energy costs   | 9.48                                 | 10.73                                |
| Repairs and maintenance  | 3.75                                 | 3.43                                 |
| Communication costs  | 8.75                                 | 6.61                                 |
| Insurance  | 0.27                                 | 0.97                                 |
| Global management charges  | 44.18                                | 23.06                                |
| System and infrastructure support cost   | 122.92                               | 75.57                                |
| Corporate social responsibility (refer note 32.33)   | 10.53                                | 10.80                                |
| Legal and professional charges   | 30.05                                | 23.54                                |
| Payments to the auditor  |                                      |                                      |
| As Auditor   |                                      |                                      |
| Statutory audit  | 0.44                                 | 0.44                                 |
| Tax audit  | 0.10                                 | 0.10                                 |
| For other services   | 0.49                                 | 0.69                                 |
| Reimbursement of expenses  | 0.01                                 | 0.01                                 |
| Goods and Services Tax   | 44.80                                | 25.46                                |
| Other expenditure  | 0.40                                 | 1.28                                 |
| <b>Total</b>   | <b>276.17</b>                        | <b>182.69</b>                        |

## Deutsche Investments India Private Limited

### Notes to the financial statements (Continued)

For the year ended March 31, 2023

(Currency: Indian Rupees in Millions)

#### 30. Impairment on financial instruments

| Particulars       | For the year ended<br>March 31, 2023                                    |   |              | For the year ended<br>March 31, 2022                                 |   |               |
|-------------------|---|---|--------------|--|---|---------------|
|                   | On financial<br>instruments<br>measured at fair<br>value through<br>OCI | On financial<br>instruments<br>measured at<br>amortised<br>cost | Total        | On financial<br>instruments<br>measured at fair<br>value through OCI | On financial<br>instruments<br>measured at<br>amortised<br>cost | Total         |
| Loans             | -   | (0.06)  | (0.06)       | -  | 0.16  | 0.16          |
| Investments       | (2.03)  | 76.88   | 74.85        | 4.07   | 148.57  | 152.64        |
| Trade receivables | -   | 3.20  | 3.20         | -  | -   | -             |
| <b>Total</b>      | <b>(2.03)</b>   | <b>80.02</b>  | <b>77.99</b> | <b>4.07</b>  | <b>148.73</b>   | <b>152.80</b> |

#### 31. Finance costs

| Particulars                                     | For the year ended<br>March 31, 2023   |  |               | For the year ended<br>March 31, 2022   |  |               |
|---|--|--|---------------|--|--|---------------|
|   | On financial<br>liabilities<br>measured at fair<br>value through<br>profit or loss | On financial<br>liabilities<br>measured at<br>amortised cost | Total         | On financial<br>liabilities<br>measured at fair<br>value through<br>profit or loss | On financial<br>liabilities<br>measured at<br>amortised cost | Total         |
| Interest on borrowings                          | -  | 0.55   | 0.55          | -  | 0.24   | 0.24          |
| Interest on debt securities                     | -  | 555.98   | 555.98        | -  | 576.85   | 576.85        |
| Interest on ICD                                 | -  | 138.90   | 138.90        | -  | 141.83   | 141.83        |
| Interest on bank overdraft                      | -  | -  | -             | -  | -  | -             |
| Interest on collateralised borrowing obligation | -  | 0.43   | 0.43          | -  | 0.03   | 0.03          |
| <b>Total</b>                                    | <b>-</b>   | <b>695.86</b>  | <b>695.86</b> | <b>-</b>   | <b>718.95</b>  | <b>718.95</b> |

**Deutsche Investments India Private Limited**  
**Notes to financial statements (Continued)**

For the year ended March 31, 2023

(Currency: Indian Rupees in Millions)

**32. Notes to accounts**

**32.1 Employee Benefits**

The following disclosures have been set out in accordance with the requirements of Indian Accounting Standard 19 on "Employee Benefits" prescribed by the Companies (Indian Accounting Standards (Ind AS) ) Rules, 2015.

Employee benefits, included under the head employee benefits Expenses, are given below:

|                      | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
|----------------------|--------------------------------------|--------------------------------------|
| Provident fund       | 5.79                                 | 5.24                                 |
| Compensated absences | 0.42                                 | 0.25                                 |

**Gratuity**

Reconciliation of opening and closing balance of the present value of the defined benefit obligation for gratuity benefits is given below:

|   | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
|---|--------------------------------------|--------------------------------------|
| <b>Change in the present value of defined benefit obligations</b> |                                      |                                      |
| <b>Defined benefit obligation at beginning of the year</b>        | 1.55                                 | 1.20                                 |
| Current service cost  | 0.44                                 | 0.30                                 |
| Interest cost   | 0.11                                 | 0.08                                 |
| Expected return on plan assets                                    |                                      |                                      |
| Actuarial (gain)/loss - experience                                | 0.22                                 | 0.17                                 |
| Actuarial (gain)/loss - demographic assumptions                   | 0.10                                 |                                      |
| Actuarial (gain)/loss - financial assumptions                     | (0.05)                               | (0.20)                               |
| Past service cost - plan amendments                               | -                                    | -                                    |
| Benefits paid directly by the Company                             | -                                    | -                                    |
| <b>Defined Benefit Obligation at end of current year</b>          | <b>2.37</b>                          | <b>1.55</b>                          |

|   | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|-------------------------|-------------------------|
| <b>Details of Net Balance Sheet Position</b>        |                         |                         |
| Fair value of plan assets at beginning of the year  | -                       | -                       |
| Interest Income on planned assets                   | -                       | -                       |
| Benefit paid  | -                       | -                       |
| Employer contributions                              | -                       | -                       |
| Actuarial gain / (loss) on plan assets              | -                       | -                       |
| <b>Fair value of plan assets at end of the year</b> | <b>-</b>                | <b>-</b>                |

Details of amounts booked to profit and loss account and other comprehensive income during the year

|  | For the year ended March<br>31, 2023 | For the year ended<br>March 31, 2022 |
|--|--------------------------------------|--------------------------------------|
| <b>Net gratuity expenses (recognized in employee benefit expenses)</b> |                                      |                                      |
| Current service cost   | 0.44                                 | 0.30                                 |
| Past service cost - plan amendments                                    | -                                    | -                                    |
| Net interest on net defined benefit liability / (asset)                | 0.11                                 | 0.08                                 |
| Net actuarial gain (loss) recognized in the year                       | -                                    | -                                    |
| <b>Expenses recognized in the statement of profit and loss</b>         | <b>0.55</b>                          | <b>0.38</b>                          |
| Actuarial (gain)/loss due to DBO experience                            | 0.22                                 | 0.17                                 |
| Actuarial (gain)/loss due to DBO assumption changes                    | (0.07)                               | (0.20)                               |
| Actuarial (gain)/loss arising during year                              | 0.15                                 | (0.03)                               |
| Return on plan assets (greater)/less than discount rate                | -                                    | -                                    |
| <b>Actuarial (gains)/ losses recognized in OCI</b>                     | <b>0.15</b>                          | <b>(0.03)</b>                        |

## Deutsche Investments India Private Limited

### Notes to financial statements (Continued)

For the year ended March 31, 2023

(Currency: Indian Rupees in Millions)

### 32. Notes to accounts (Continued)

#### 32.1 Employee Benefits (Continued)

The expected maturity profile of defined benefit obligation as follows:

| Particulars   | As at          | As at          |
|---------------|----------------|----------------|
|               | March 31, 2023 | March 31, 2022 |
| Within 1 year | 0.23           | 0.18           |
| 1-2 year      | 0.31           | 0.14           |
| 2-3 years     | 0.38           | 0.19           |
| 3-4 years     | 0.40           | 0.24           |
| 4-5 years     | 0.57           | 0.26           |
| 5-10 years    | 2.86           | 1.78           |

| Assumptions   | As at                              | As at                              |
|---|------------------------------------|------------------------------------|
|   | March 31, 2023                     | March 31, 2022                     |
| Valuation Method  | Projected Unit Credit              | Projected Unit Credit              |
| Discount rate   | 7.20% p.a.                         | 7% p.a.                            |
| Salary escalation                                       | 8% p.a.                            | 8% p.a.                            |
| Normal Retirement Age                                   | 62 years                           | 62 years                           |
| Weighted average duration of defined benefit obligation | 10 years                           | 10 years                           |
| Attrition rate  |                                    |                                    |
| 0 – 5 years   | 20.00%                             | 20.00%                             |
| 6 – 10 years  | 15.00%                             | 15.00%                             |
| Above 10 years  | 9.00%                              | 5.00%                              |
| Mortality (India Assured Lives)                         | Mortality (2006-08) (modified) Ult | Mortality (2006-08) (modified) Ult |
| Amortisation of Actuarial Loss ( Gain )                 | Immediate                          | Immediate                          |

#### Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below

| Gratuity                               | As at March 31, 2023 |          | As at March 31, 2022 |          |
|--|----------------------|----------|----------------------|----------|
|  | Increase             | Decrease | Increase             | Decrease |
| Discount rate (0.5% movement)          | (0.08)               | 0.09     | (0.07)               | 0.08     |
| Salary Escalation rate (0.5% movement) | 0.05                 | (0.06)   | 0.04                 | (0.04)   |
| Attrition rate (5% movement)           | 0.01                 | (0.14)   | 0.07                 | (0.28)   |

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Method used for sensitivity analysis: The sensitivity results above determine their individual impact on the Plan's end of year Defined Benefit Obligation. In reality, the Plan is subject to multiple external experience items which may move the Defined Benefit Obligation in similar or opposite directions, while the Plan's sensitivity to such changes can vary over time.



# Deutsche Investments India Private Limited

## Notes to financial statements (Continued)

For the year ended March 31, 2023

(Currency: Indian Rupees in Millions)

### 32. Notes to accounts (Continued)

#### 32.2 Segment Information

##### (a) Description of segments and principal activities

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The Segment reporting policy complies with the accounting policies adopted for preparation and presentation of financial statements of the Company and is in conformity with Indian Accounting Standard 108 'Operation Segments' prescribed by Companies (Indian Accounting Standard) Rules, 2015. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director and CEO of the Company.

The Company has identified the following segments as reporting segments based on the information reviewed by CODM and segment information is provided as per the MIS available for internal reporting purposes, which includes certain estimates and assumptions.

Global Market : Encompasses all the activities pertaining to Global Markets Business of the Company including loan to corporate clients and dealing in corporate bonds, government securities, derivatives, placement of corporate debentures / loans, etc.

Wealth Management : Encompasses all the activities pertaining to clients of Wealth Management business including Loans / PMS.

Others : Includes revenue earned on account of the notional capital charge and expenses incurred.

##### (b) Segment Revenue

The segment revenue is measured in the same way as in the statement of profit or loss. Revenue and expenses which relate to the enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as Unallocable. Transactions between segments are eliminated. The CODM primarily uses a measure of profit before tax to assess the performance of the operating segments.

The following table gives information on the segment revenue and results for the year ended:

| Particulars   | Global market |          | Wealth management |           | Others   |          | Total     |           |
|---|---------------|----------|-------------------|-----------|----------|----------|-----------|-----------|
|   | 2023          | 2022     | 2023              | 2022      | 2023     | 2022     | 2023      | 2022      |
| Segment Revenue (Net)   | 72.41         | 42.01    | 1,193.47          | 1,356.64  | 303.85   | 217.55   | 1,569.73  | 1,616.20  |
| Inter Segment Revenue   | (3.65)        | (25.92)  | (297.19)          | (191.63)  | 300.84   | 217.55   | -         | -         |
| Segment Revenue from Operations                                       | 76.06         | 67.93    | 1,490.66          | 1,548.27  | 3.01     | -        | 1,569.73  | 1,616.20  |
| Segment Results (PBT)   | (336.15)      | (319.10) | 202.85            | 418.77    | 269.54   | 155.33   | 136.25    | 255.00    |
| Provision for Tax   |               |          |                   |           | 96.02    | 111.27   | 96.02     | 111.27    |
| Deferred Tax  |               |          |                   |           | (58.49)  | (45.03)  | (58.49)   | (45.03)   |
| Profit after tax  | (336.15)      | (319.10) | 202.85            | 418.77    | 232.02   | 89.09    | 98.72     | 188.76    |
| <b>Other Information</b>  |               |          |                   |           |          |          |           |           |
| Segment Assets  | 2,206.64      | 925.17   | 21,866.23         | 22,341.15 | -        | -        | 24,072.87 | 23,266.32 |
| Unallocated Assets  |               |          |                   |           |          |          | 646.85    | 546.00    |
| Total Assets  |               |          |                   |           |          |          | 24,719.72 | 23,812.32 |
| Segment Liabilities   | 1,390.91      | 586.40   | 14,107.36         | 14,068.13 | 9,213.57 | 9,149.91 | 24,711.84 | 23,804.44 |
| Unallocated Liabilities   |               |          |                   |           |          |          | 7.88      | 7.88      |
| Total Liabilities   |               |          |                   |           |          |          | 24,719.72 | 23,812.32 |
| Property, plant and equipment purchased / capitalized during the year | 0.07          | -        | 0.38              | 0.26      | 0.06     | -        | 0.51      | 0.26      |
| Depreciation / amortization on property, plant and equipment          | 0.06          | 0.05     | 0.37              | 0.22      | 0.14     | 0.14     | 0.57      | 0.41      |
| Significant non-cash items included in segment expenses               | 76.70         | 148.74   | 1.29              | 4.06      | -        | -        | 77.99     | 152.80    |

**Deutsche Investments India Private Limited**  
**Notes to financial statements (Continued)**

For the year ended March 31, 2023

(Currency: Indian Rupees in Millions)

**32. Notes to accounts (Continued)**

**32.3 Related parties**

The disclosures regarding related parties as required by Indian Accounting Standard 24 "Related Party Disclosures" prescribed by the Companies (Indian Accounting Standards) Rules, 2015 are as under:

**(A) Names of related parties by whom control is exercised**

Deutsche Bank AG (and its branches) Ultimate Holding company  
 Deutsche Asia Pacific Holding Pte Limited Holding Company

**(B) Individuals owning, directly or indirectly, an interest in the voting power of the reporting enterprise that gives them control or significant influence over the enterprise, and relatives of any such individual**

None

**(C) Key Management Personnel**

Vinay Bajpai (Chief executive officer) (w.e.f Dec 18, 2022)  
 Yogesh Rungta (Chief executive officer) (Resigned as CEO w.e.f Dec 17, 2022)  
 Siddhartha Chopra (Director) (Resigned as director w.e.f June 9, 2021)  
 Atin Kumar Saha (Director) (Resigned as director w.e.f Oct 27, 2022)  
 Ramaswami Krishnakumar (Director)  
 Manu Sharma (Director) (w.e.f Oct 27, 2022)  
 Abhishek Bansal (Director) (w.e.f May 10, 2022)  
 Sumit Gupta (Director) (Resigned as director w.e.f January 4, 2022)  
 Anjallee Paatil (Director)  
 Bharat Gangani (Company Secretary) (w.e.f Feb 11, 2023)

**(D) Fellow subsidiaries with whom transactions/balances have taken place during the year:**

DB Global Technology, Inc.  
 DB Group Services (EURO)  
 DB Service Centre Limited  
 DB USA Core Corporation  
 DBOI Global Services (UK) Limited  
 Deutsche Asset Management (India) Private Limited  
 Deutsche Bank (Suisse) SA  
 Deutsche Bank Luxembourg S.A.  
 Deutsche Bank Securities Inc.  
 Deutsche Bank Trust Company Americas  
 Deutsche Bank Trust Company, National Association  
 Deutsche CLB Centre Private Limited  
 Deutsche Equities India Private Limited  
 Deutsche Group Services Pty Limited  
 DB Investment Services GmbH  
 Deutsche India Holdings Private Limited  
 Deutsche India Private Limited  
 Deutsche Investor Services Private Limited  
 Deutsche Knowledge Services Pte. Ltd., Manila Branch  
 Deutsche Securities (India) Private Limited  
 Deutsche Securities Inc.  
 Deutsche Securities Korea Co.

**(E) Transactions with related parties**

| Nature of Related Party Transaction | For the year ended<br>March 31, 2023 |                        | For the year ended<br>March 31, 2022 |                        |
|-------------------------------------|--------------------------------------|------------------------|--------------------------------------|------------------------|
|                                     | Controlling<br>Entities              | Fellow<br>Subsidiaries | Controlling<br>Entities              | Fellow<br>Subsidiaries |
| <b>A) Revenue</b>                   |                                      |                        |                                      |                        |
| Interest income on bank deposit     | 0.92                                 | -                      | 4.81                                 | -                      |
| <b>B) Expenses</b>                  |                                      |                        |                                      |                        |
| Global management charges           | 43.04                                | 1.14                   | 22.88                                | 0.18                   |
| Employee benefit expenses           | 103.74                               | -                      | 87.24                                | -                      |
| System and infrastructure support   | 105.99                               | 16.93                  | 57.68                                | 17.89                  |
| Bank charges                        | 0.03                                 | -                      | 0.04                                 | -                      |
| Interest on borrowings              | 0.55                                 | -                      | 0.23                                 | -                      |
| Interest on Inter-corporate deposit | -                                    | 138.90                 | -                                    | 141.83                 |
| Rent                                | 7.77                                 | 1.71                   | 7.56                                 | 3.17                   |
| Portfolio management services       | 50.58                                | -                      | 50.33                                | -                      |
| Custody charges                     | 2.12                                 | -                      | 9.29                                 | -                      |
| Other expenses                      | 1.22                                 | -                      | 0.75                                 | -                      |
| <b>C) Other transactions</b>        |                                      |                        |                                      |                        |
| Dividend paid                       | 76.21                                | 17.93                  | 139.14                               | 32.74                  |
| Bank deposit placed                 | 1,280.00                             | -                      | 10,605.00                            | -                      |
| Bank deposit matured                | 1,280.00                             | -                      | 10,605.00                            | -                      |
| Short term loan taken               | 100.80                               | -                      | 93.00                                | -                      |
| Short term loan repaid              | 110.80                               | -                      | 89.60                                | -                      |
| Inter-corporate deposit issued      | -                                    | 2,500.00               | -                                    | 3,000.00               |
| Inter-corporate deposit repaid      | -                                    | 3,000.00               | -                                    | 3,000.00               |
| Purchase of investments             | 932.30                               | -                      | 1,770.69                             | -                      |

## Deutsche Investments India Private Limited

### Notes to financial statements (Continued)

For the year ended March 31, 2023

(Currency: Indian Rupees in Millions)

#### 32. Notes to accounts (Continued)

##### 32.3 Related parties (Continued)

###### (F) Transactions with Key Management Personnel

| Nature of Related Party Transaction | For the year ended |                |
|-------------------------------------|--------------------|----------------|
|                                     | March 31, 2023     | March 31, 2022 |
| Short-term employee benefits        | 36.55              | 10.70          |
| Post-employment benefits            | 0.98               | 0.37           |
| Other long-term benefits            | -                  | -              |
| Termination benefits                | 0.68               | 0.33           |
| Share-based payment                 | 0.26               | -              |

###### (G) Balances with related parties

| Particulars                                | As at                |                     | As at                |                     |
|--|----------------------|---------------------|----------------------|---------------------|
|  | March 31, 2023       |                     | March 31, 2022       |                     |
|  | Controlling Entities | Fellow Subsidiaries | Controlling Entities | Fellow Subsidiaries |
| <b>A) Receivables</b>                      |                      |                     |                      |                     |
| Bank balance                               | 126.35               | -                   | 141.93               | -                   |
| Receivable from Group Companies            | 2.57                 | 1.07                | 0.79                 | 0.99                |
| <b>B) Payables</b>                         |                      |                     |                      |                     |
| Payable to group companies*                | 144.40               | 21.77               | 43.02                | 18.28               |
| Portfolio management services fees payable | 14.64                | -                   | 17.93                | -                   |
| Short term loan                            | -                    | -                   | 10.00                | -                   |
| Inter-corporate deposit                    | -                    | 2,535.08            | -                    | 3,041.33            |

\*Payable to group companies are gross amount before Tax deducted at source (TDS) and effect of forex revaluation at year end.

###### (H) Details of maximum balances outstanding with related parties during financial year

| Particulars             | For the year ended   |                     | For the year ended   |                     |
|-------------------------|----------------------|---------------------|----------------------|---------------------|
|                         | March 31, 2023       |                     | March 31, 2022       |                     |
|                         | Controlling Entities | Fellow Subsidiaries | Controlling Entities | Fellow Subsidiaries |
| Borrowings              | 90.80                | -                   | 1,250.00             | -                   |
| Inter-corporate deposit | -                    | 3,500.00            | -                    | 3,000.00            |
| Placement of deposit    | 500.00               | -                   | 1,850.00             | -                   |

###### (I) Particulars of Terms of arrangements/contracts with Related parties

The transactions with related parties are made in the ordinary course of business and the same is at arm's length. Outstanding balances at the year-end are unsecured. There have been no guarantees provided or received for any related party receivables or payables. The Company has not recorded any impairment for receivables from group companies.

##### 32.4 Earning per share ('EPS')

In accordance with Indian Accounting Standard (Ind AS) 33 notified under the Companies (Indian Accounting Standards) Rules, 2015, the computation of EPS is set out below:

| Particulars  | For the year ended |                |
|--|--------------------|----------------|
|  | March 31, 2023     | March 31, 2022 |
| a) Shareholders earnings (profit after tax as per statement of profit and loss)(A) | 98.72              | 188.76         |
| b) Weighted average number of equity shares outstanding during the year(B)         | 52,885,000         | 52,885,000     |
| c) Basic and diluted earnings per share (in rupees)(A/B)                           | 1.87               | 3.57           |

## Deutsche Investments India Private Limited

### Notes to financial statements (Continued)

For the year ended March 31, 2023

(Currency: Indian Rupees in Millions)

#### 32. Notes to accounts (Continued)

##### 32.5 Income Taxes

Reconciliation of the income tax provision to the amount computed by applying statutory income tax rate to the income before income taxes is summarised as follows:

| Particulars                                 | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
|---|--------------------------------------|--------------------------------------|
| Profit before income tax                    | 136.25                               | 255.00                               |
| Enacted tax rates in India (%)              | 25.17%                               | 25.17%                               |
| Computed expected tax expenses              | 34.29                                | 64.18                                |
| Corporate Social Responsibility Expenditure | 2.65                                 | 2.72                                 |
| Others                                      | (0.08)                               | 0.23                                 |
| Income-tax relating to prior years          | -                                    | -                                    |
| Income tax expense                          | 36.86                                | 67.13                                |
| Effective Tax Rate                          | 27.06%                               | 26.33%                               |

##### Deferred tax

The primary components that gave rise to deferred tax liabilities and assets are as follows:

| Particulars  | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--|-------------------------|-------------------------|
| <b>Deferred tax asset</b>  |                         |                         |
| Provision for Gratuity and compensated absences                                    | 0.77                    | 0.53                    |
| Expected credit loss   | 149.45                  | 130.60                  |
| Provision for expenses   | -                       | -                       |
| Provision for Bonus  | 1.03                    | 0.68                    |
| Difference in WDV of property, plant and equipment as per tax and accounting books | 0.08                    | 0.05                    |
| Unrealized (gain) / loss on debt/other instruments (net)                           | (0.98)                  | (0.98)                  |
| Net loss on fair value changes (unreliaed)   | 110.51                  | 70.83                   |
| Deferred-tax relating to prior years   | 18.64                   | 18.64                   |
| <b>Net Deferred tax assets</b>   | <b>279.50</b>           | <b>220.35</b>           |

| Particulars                         | Provision for<br>Gratuity and<br>compensated<br>absences | Expected credit<br>loss | Provision for<br>expenses | Provision for<br>Bonus | Net loss on<br>fair value<br>changes<br>(unreliaed) | Written down<br>value of<br>property, plant<br>and equipment | Unrealized<br>(gain) / loss<br>on debt/other<br>instruments<br>(net) | Deferred-tax<br>relating to<br>prior years | Total         |
|-------------------------------------|--|-------------------------|---------------------------|------------------------|---|--|--|--|---------------|
| Balance as at April 01, 2021        | 0.37   | 90.46                   | -                         | 0.38                   | 37.26   | 0.07   | 29.03  | 18.64                                      | 176.21        |
| (charged)/credited:                 |  |                         |                           |                        |   |  |  |  |               |
| - to Profit or Loss                 | 0.17   | 40.14                   | -                         | 0.30                   | 33.57   | (0.02)   | (29.13)  | -  | 45.02         |
| - to Other Comprehensive Income     | (0.01)   | -                       | -                         | -                      | -   | -  | (0.88)   | -  | (0.88)        |
| Balance as at March 31, 2022        | 0.53   | 130.60                  | -                         | 0.68                   | 70.83   | 0.05   | (0.98)   | 18.64                                      | 220.35        |
| (charged)/credited:                 |  |                         |                           |                        |   |  |  |  |               |
| - to Profit or Loss                 | 0.17   | 18.85                   | -                         | 0.35                   | 39.68   | 0.03   | (0.59)   | -  | 58.49         |
| - to Other Comprehensive Income     | 0.07   | -                       | -                         | -                      | -   | -  | 0.59   | -  | 0.66          |
| <b>Balance as at March 31, 2023</b> | <b>0.77</b>  | <b>149.45</b>           | <b>-</b>                  | <b>1.03</b>            | <b>110.51</b>                                       | <b>0.08</b>  | <b>(0.98)</b>  | <b>18.64</b>                               | <b>279.50</b> |

##### 32.6 Contingent liabilities and capital commitment

The Company has outstanding contingent liability towards Income tax demands as at March 31, 2023 amounting to Rs.830.51 (Previous year: Rs. 800.52).

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in June 2021. 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.

The capital commitment outstanding as on March 31, 2023 is Rs Nil (Previous year is Nil)

The Company is of the view that outflows on account of the above matters are not probable accordingly no provision has been made towards these matters in the financials.

## Deutsche Investments India Private Limited

### Notes to financial statements (Continued)

For the year ended March 31, 2023

(Currency: Indian Rupees in Millions)

#### 32. Notes to accounts (Continued)

##### 32.7 Unhedged foreign currency exposure

Foreign currency exposure not covered by forward contracts:

|             |     | As at<br>March 31, 2023      |            | As at<br>March 31, 2022      |            |
|-------------|-----|------------------------------|------------|------------------------------|------------|
|             |     | FCY Amount<br>(in thousands) | INR Amount | FCY Amount<br>(in thousands) | INR Amount |
| Payables    | AUD | -                            | -          | 0.06                         | 0.00       |
|             | EUR | 1,557.59                     | 139.31     | 772.24                       | 65.04      |
|             | HKD | -                            | -          | (8.05)                       | (0.08)     |
|             | SGD | -                            | -          | 2.46                         | 0.14       |
|             | USD | -                            | -          | 10.80                        | 0.82       |
| Receivables | EUR | 23.55                        | 2.11       | 10.95                        | 0.92       |

##### 32.8 Dividend remitted in Foreign Currency

The details of dividend remitted during the year as follows:

| Particulars                  | Number of non resident shareholder | No of shares | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
|------------------------------|------------------------------------|--------------|--------------------------------------|--------------------------------------|
| Interim equity dividend paid | 1                                  | 42,812,500   | 76.21                                | 139.14                               |

##### 32.9 Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from October 2, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management and confirmation sought from suppliers on registration with specified authority under MSMED, principal amount, interest accrued and remaining unpaid and interest paid during the year to such enterprise is as follows.

| Item No. | Disclosures required under the Micro, Small & Medium Development Act, 2006  | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|----------|---|-------------------------|-------------------------|
| I        | Delayed payments due as at the end of each accounting year on account of<br>- Principal<br>- Interest due thereon   | -<br>-                  | 0.01<br>0.00            |
| II       | the amount of interest paid by the buyer under MSMED act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year  | -                       | -                       |
| III      | the amount of interest due and payable for the period of delay in making payment (where the principal has been paid but interest under the MSMED act is not paid);  | -                       | -                       |
| IV       | the amount of interest accrued and remaining unpaid at the end of each accounting year; and   | -                       | 0.00                    |
| V        | the amount of further interest due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to small enterprise, for the purpose of disallowance as a deductible expenditure u/s 23. | -                       | -                       |

Additional Disclosures as per RBI's Master Direction DNBR. PD. 008/03.10.119/2016-17 updated as on December 29, 2022.

##### 32.10 Investments

| Particular   | 2023     | 2022     |
|--|----------|----------|
| (1) Value of Investments   |          |          |
| (i) Gross Value of Investments   |          |          |
| (a) In India   | 3,368.50 | 3,069.80 |
| (b) Outside India  | -        | -        |
| (ii) Provision of Depreciation   |          |          |
| (a) In India   | 586.79   | 511.95   |
| (b) Outside India  | -        | -        |
| (iii) Net Value of Investments   |          |          |
| (a) In India   | 2,781.71 | 2,557.85 |
| (b) Outside India  | -        | -        |
| (2) Movement of provisions held towards depreciation on investments    |          |          |
| (i) Opening balance  | 511.95   | 359.35   |
| (ii) Add: Provisions made during the Year                              | 74.85    | 152.60   |
| (iii) Less: Write-off/ write-back of excess provisions during the year | -        | -        |
| (iv) Closing Balance   | 586.80   | 511.95   |

##### 32.11 Derivatives

###### a. Forward Rate Agreement/ Interest Rate Swap

There were no outstanding contract as at March 31, 2023, March 31, 2022 Rs. Nil.

###### b. Exchange Traded Interest Rate (IR) Derivatives

There are no transactions during current year as well as for the previous year.

###### c. Disclosure on Risk Exposure in Derivatives

There were no outstanding contract as at March 31, 2023, March 31, 2022 Rs. Nil.

## Deutsche Investments India Private Limited

### Notes to financial statements (Continued)

For the year ended March 31, 2023

(Currency: Indian Rupees in Millions)

#### 32. Notes to accounts (Continued)

##### 32.12 Asset Liability Management Maturity pattern of certain items of Assets and Liabilities

| 2023                         | 1 to 7 days | 8 to 14 days | 15 days to 30 /31 days | Over one month to 2 months | Over 2 months upto 3 months | Over 3 months to 6 months | Over 6 months to 1 year | Over 1 years to 3 years | Over 3 years to 5 years | Over 5 years | Total     |
|------------------------------|-------------|--------------|------------------------|----------------------------|-----------------------------|---------------------------|-------------------------|-------------------------|-------------------------|--------------|-----------|
| <b>Liabilities</b>           |             |              |                        |                            |                             |                           |                         |                         |                         |              |           |
| Borrowings                   | -           | -            | -                      | 4,836.54                   | 810.57                      | 8,253.39                  | 1,514.00                | -                       | -                       | -            | 15,414.50 |
| Foreign Currency Liabilities | -           | -            | -                      | -                          | -                           | -                         | -                       | 139.31                  | -                       | -            | 139.31    |
| <b>Assets</b>                |             |              |                        |                            |                             |                           |                         |                         |                         |              |           |
| Advances (net)               | 3,225.54    | 724.99       | 5,553.90               | 2,488.26                   | 2,778.48                    | 3,827.05                  | 2,509.96                | -                       | -                       | -            | 21,108.18 |
| Investments (net)            | -           | 10.04        | -                      | -                          | -                           | -                         | 933.86                  | -                       | 1,218.56                | 619.25       | 2,781.71  |
| Foreign Currency Assets      | -           | -            | -                      | -                          | 2.11                        | -                         | -                       | -                       | -                       | -            | 2.11      |

| 2022                         | 1 to 7 days | 8 to 14 days | 15 days to 30 /31 days | Over one month to 2 months | Over 2 months upto 3 months | Over 3 months to 6 months | Over 6 months to 1 year | Over 1 years to 3 years | Over 3 years to 5 years | Over 5 years | Total     |
|------------------------------|-------------|--------------|------------------------|----------------------------|-----------------------------|---------------------------|-------------------------|-------------------------|-------------------------|--------------|-----------|
| <b>Liabilities</b>           |             |              |                        |                            |                             |                           |                         |                         |                         |              |           |
| Borrowings                   | 499.56      | -            | 4,984.18               | 497.11                     | -                           | 2,509.86                  | 5,811.75                | 313.67                  | -                       | -            | 14,616.13 |
| Foreign Currency Liabilities | -           | -            | -                      | -                          | -                           | -                         | -                       | 65.92                   | -                       | -            | 65.92     |
| <b>Assets</b>                |             |              |                        |                            |                             |                           |                         |                         |                         |              |           |
| Advances (net)               | 2,255.83    | 696.49       | 4,348.61               | 4,735.93                   | 4,280.98                    | 3,982.03                  | 210.00                  | -                       | -                       | -            | 20,509.87 |
| Investments (net)            | -           | -            | -                      | -                          | -                           | 595.00                    | 1,962.84                | -                       | -                       | -            | 2,557.84  |
| Foreign Currency Assets      | -           | -            | -                      | -                          | 0.92                        | -                         | -                       | -                       | -                       | -            | 0.92      |

## Deutsche Investments India Private Limited

### Notes to financial statements (Continued)

For the year ended March 31, 2023

(Currency: Indian Rupees in Millions)

#### 32. Notes to accounts (Continued)

##### 32.13 Exposures

Exposure to Real Estate Sector

| Category   | 2023      | 2022     |
|--|-----------|----------|
| i) Direct Exposure   |           |          |
| (a) Residential Mortgages  |           |          |
| Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure would also include non-fund based (NFB) limits.   | NIL       | NIL      |
| (b) Commercial Real Estate   |           |          |
| Lending secured by mortgages on commercial real estate (office buildings retail space multipurpose commercial premises multifamily residential buildings multi tenanted commercial premises industrial or warehouse space hotels land acquisition development and construction etc.). Exposure would also include non-fund based (NFB) limits. | 10,760.00 | 8,960.00 |
| (c) Investments in Mortgage-Backed Securities (MBS) and other securitized exposures -  |           |          |
| i. Residential   | NIL       | NIL      |
| ii. Commercial Real Estate   | NIL       | NIL      |
| ii) Indirect Exposure  |           |          |
| Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.  | -         | -        |

Commercial Real Estate exposure has been computed and reported in accordance with RBI circular 'Guideline on Classification of Exposures as Commercial Real Estate (CRE) Exposures' reference DBOD.BP.BC.No. 42/08.12.015/2009-10 dated Sep 9, 2009.

##### Exposure to Capital market

| Particulars   | 2023             | 2022             |
|---|------------------|------------------|
| 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   | 17,216.85        | 17,580.30        |
| iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances | -                | -                |
| v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers   | -                | -                |
| vi) Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources  | -                | -                |
| vii) Bridge loans to companies against expected equity flows / issues   | -                | -                |
| viii) Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds  | -                | -                |
| ix) Financing to stockbrokers for margin trading  | -                | -                |
| x) All exposures to Alternative Investment Funds:   | -                | -                |
| (i) Category I  | -                | -                |
| (ii) Category II  | -                | -                |
| (iii) Category III  | -                | -                |
| <b>Total</b>  | <b>17,216.85</b> | <b>17,580.30</b> |

##### Sectoral exposure

| Sectors   | As at March 31, 2023  |            |   | As at March 31, 2022  |            |   |
|---|---|------------|---|---|------------|---|
|   | Total Exposure (includes on balance sheet and off-balance sheet exposure) | Gross NPAs | Percentage of Gross NPAs to total exposure in that sector | Total Exposure (includes on balance sheet and off-balance sheet exposure) | Gross NPAs | Percentage of Gross NPAs to total exposure in that sector |
| <b>1. Agriculture and Allied Activities</b>                               | -   | -          | -   | -   | -          | -   |
| <b>2. Industry</b>  | -   | -          | -   | -   | -          | -   |
| 2.1. Micro and Small  | -   | -          | -   | -   | -          | -   |
| 2.2. Medium   | -   | -          | -   | -   | -          | -   |
| 2.3. Large  | -   | -          | -   | -   | -          | -   |
| <b>3. Services</b>  | -   | -          | -   | -   | -          | -   |
| 3.1. Transport Operators  | -   | -          | -   | -   | -          | -   |
| 3.2. Computer Software  | -   | -          | -   | -   | -          | -   |
| 3.3. Tourism, Hotels and Restaurants                                      | -   | -          | -   | -   | -          | -   |
| 3.4. Shipping   | -   | -          | -   | -   | -          | -   |
| 3.5. Aviation   | -   | -          | -   | -   | -          | -   |
| 3.6. Professional Services  | 150.00  | -          | -   | 50.00   | -          | -   |
| 3.7. Trade  | -   | -          | -   | -   | -          | -   |
| 3.8. Commercial Real Estate   | 10,760.00   | 1,335.00   | 12%   | 8,960.00  | -          | -   |
| 3.9. Non-Banking Financial Companies (NBFCs) of which,                    | 8,900.00  | -          | -   | 5,950.00  | -          | -   |
| 3.9.1. Housing Finance Companies (HFCs)                                   | -   | -          | -   | -   | -          | -   |
| 3.9.2. Public Financial Institutions (PFIs)                               | -   | -          | -   | -   | -          | -   |
| 3.10. Other Services  | 31,815.00   | -          | -   | 29,530.00   | -          | -   |
| <b>4. Personal Loans</b>  | -   | -          | -   | -   | -          | -   |
| 4.1. Consumer Durables  | -   | -          | -   | -   | -          | -   |
| 4.2. Housing (Including Priority Sector Housing)                          | -   | -          | -   | -   | -          | -   |
| 4.3. Advances against Fixed Deposits (Including FCNR, NRRN Deposits etc.) | -   | -          | -   | -   | -          | -   |
| 4.4. Advances to Individuals against share, bonds, etc.                   | -   | -          | -   | -   | -          | -   |
| 4.5. Credit Card Outstanding  | -   | -          | -   | -   | -          | -   |
| 4.6. Education  | -   | -          | -   | -   | -          | -   |
| 4.7. Vehicle Loans  | -   | -          | -   | -   | -          | -   |
| 4.8. Loans against gold jewellery   | -   | -          | -   | -   | -          | -   |
| 4.9. Other Personal Loans   | -   | -          | -   | -   | -          | -   |
| <b>4. Others, if any (please specify)</b>                                 | -   | -          | -   | -   | -          | -   |

## Deutsche Investments India Private Limited

### Notes to financial statements (Continued)

For the year ended March 31, 2023

(Currency: Indian Rupees in Millions)

#### 32. Notes to accounts (Continued)

##### 32.14 Details of financing of parent company products

There is no financing of the parent company products in current year as well as in the previous year.

##### 32.15 Single and Group Borrower Exposures

The exposure ceiling for single borrower limit (SBL) is 25% and group borrower limit (GBL) is 40% of Tier 1 Capital respectively for lending and investment together. The company has not exceeded the above prudential exposure limits during the year.

##### 32.16 Unsecured Advances

The company does not have any unsecured advances in current year as well as in the previous year.

##### 32.17 Registration obtained from other financial sector regulators

The Company has also been granted a certificate of registration no. INP000002825 as "Portfolio Manager" by Securities Exchange Board of India ('SEBI').

##### 32.18 Disclosure of Penalties imposed by RBI and other regulators

SEBI had imposed penalty of INR one thousand in current financial year (Previous year Nil). There is no penalty imposed by RBI and other regulators in current year as well as in the previous year.

##### 32.19 Breach of covenant

There is no instance of breach of covenant of loan availed or debt securities issued in current year as well as in the previous year.

##### 32.19 Ratings

Commercial Paper rating is "CRISIL A1+" (Pronounced "CRISIL A one plus") and "[ICRA] A1+" (pronounced as ICRA A one plus). There was no migration of ratings during the year. Non Convertible Debentures rating is "IND AAA; Outlook Stable" (Pronounced by India Ratings and Research Private Limited). There was no migration of ratings during the year.

##### 32.20 IndAS 110 – Consolidated Financial Statements (CFS)

The Company does not have any subsidiary and hence no consolidated financial statements required to be prepared under IndAS 110.

##### 32.21 Provisions and Contingencies

| Breakup of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account | 2023   | 2022   |
|---|--------|--------|
| Provisions for depreciation on investment   | 29.41  | 152.64 |
| Provision towards NPA   | 203.06 | -      |
| Provision made towards Income Tax (including deferred tax)  | 37.53  | 66.24  |
| Other provision and Contingencies (with details)  | -      | -      |
| Provision for Standard Assets   | 0.11   | 0.16   |

##### 32.22 Draw Down from Reserves

The company has not drawn any amount from reserves during the financial year (previous year Nil).

##### 32.23 Movement of NPAs

| Particulars  | 2023     | 2022   |
|--|----------|--------|
| (i) Net NPAs to Net advances (%)   | 3.09%    | -      |
| (ii) Movement of NPAs (Gross)  |          |        |
| (a) Opening balance  | -        | 119.23 |
| (b) Additions during the year  | 1,335.00 | -      |
| (c) Reductions during the year   | -        | 119.23 |
| (d) Closing Balance  | 1,335.00 | -      |
| (iii) Movement of Net NPAs   |          |        |
| (a) Opening balance  | -        | -      |
| (b) Additions during the year  | 619.25   | -      |
| (c) Reductions during the year   | -        | -      |
| (d) Closing Balance  | 619.25   | -      |
| (iv) Movement of provisions for NPAs (excluding provisions on standard assets) |          |        |
| (a) Opening balance  | -        | 119.23 |
| (b) Additions during the year  | 715.75   | -      |
| (c) Write-off/ write-back of excess provisions                                 | -        | 119.23 |
| (d) Closing Balance  | 715.75   | -      |

##### 32.24 Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)

There are no joint ventures and subsidiaries abroad for current year as well as for the previous year.

##### 32.25 Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting norms)

There are no SPV sponsored for current year as well as for the previous year.



## Deutsche Investments India Private Limited

### Notes to financial statements (Continued)

For the year ended March 31, 2023

(Currency: Indian Rupees in Millions)

#### 32. Notes to accounts (Continued)

##### 32.26 Disclosure of Complaints

###### Customer Complaints

| Particulars   | 2023 | 2022 |
|---|------|------|
| 1 Number of complaints pending at beginning of the year   | -    | -    |
| 2 Number of complaints received during the year   | 1.00 | -    |
| 3 Number of complaints disposed during the year   | 1.00 | -    |
| 3.1 Of which, number of complaints rejected by the NBFC   | -    | -    |
| 4 Number of complaints pending at the end of the year   | -    | -    |
| 5 Maintainable complaints received by the NBFC from Office of Ombudsman   | -    | -    |
| 5.1 Number of maintainable complaints received by the NBFC from Office of Ombudsman                             | -    | -    |
| 5.1 Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman                            | -    | -    |
| 5.2 Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman | -    | -    |
| 5.3 Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC         | -    | -    |
| 6 Number of Awards unimplemented within the stipulated time (other than those appealed)                         | -    | -    |

| Grounds of complaints, (i.e. complaints relating to) | Number of complaints pending at the beginning of the year | Number of complaints received during the year | % increase/ decrease in the number of complaints received over the previous year | Number of complaints pending at the end of the year | Of 5, number of complaints pending beyond 30 days |
|--|---|---|--|---|---|
| 1  | 2   | 3   | 4  | 5   | 6   |
| Current Year   |   |   |  |   |   |
| Difficulty in operation of accounts.                 | 0.00  | 1.00  | 100.00   |   | -   |
| Previous Year  |   |   |  |   |   |
| Difficulty in operation of accounts.                 | -   | -   | -  | -   | -   |

**Deutsche Investments India Private Limited**  
**Notes to financial statements (Continued)**  
**For the year ended March 31, 2023**

(Currency: Indian Rupees in Millions)

**32. Notes to accounts (Continued)**

**32.27 Restructuring of Assets**

| S.No. | Asset Classification  | Type of Restructuring |              |                 |       | Under CDR Mechanism |              |                 |       | Under SME Debt Restructuring |              |                 |       | Others   |              |                 |       |   |
|-------|---|-----------------------|--------------|-----------------|-------|---------------------|--------------|-----------------|-------|------------------------------|--------------|-----------------|-------|----------|--------------|-----------------|-------|---|
|       |   | Standard              | Sub-Standard | Special Mention | Total | Standard            | Sub-Standard | Special Mention | Total | Standard                     | Sub-Standard | Special Mention | Total | Standard | Sub-Standard | Special Mention | Total |   |
| 1     | Restructured Accounts as on April 1 of the FY (opening figures)<br>(No. of borrowers<br>Amount outstanding<br>Provision thereon)  | -                     | -            | -               | -     | -                   | -            | -               | -     | -                            | -            | -               | -     | -        | -            | -               | -     | - |
| 2     | Fresh restructuring during the year<br>(No. of borrowers<br>Amount outstanding<br>Provision thereon)  | -                     | -            | -               | -     | -                   | -            | -               | -     | -                            | -            | -               | -     | -        | -            | -               | -     | - |
| 3     | Upgradations to restructured standard category during the FY<br>(No. of borrowers<br>Amount outstanding<br>Provision thereon)   | -                     | -            | -               | -     | -                   | -            | -               | -     | -                            | -            | -               | -     | -        | -            | -               | -     | - |
| 4     | Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY<br>(No. of borrowers<br>Amount outstanding<br>Provision thereon) | -                     | -            | -               | -     | -                   | -            | -               | -     | -                            | -            | -               | -     | -        | -            | -               | -     | - |
| 5     | Downgradations of restructured accounts during the FY<br>(No. of borrowers<br>Amount outstanding<br>Provision thereon)  | -                     | -            | -               | -     | -                   | -            | -               | -     | -                            | -            | -               | -     | -        | -            | -               | -     | - |
| 6     | Write-offs of restructured accounts during the FY<br>(No. of borrowers<br>Amount outstanding<br>Provision thereon)  | -                     | -            | -               | -     | -                   | -            | -               | -     | -                            | -            | -               | -     | -        | -            | -               | -     | - |
| 7     | Restructured Accounts as on March 31 of the FY (closing figures*)<br>(No. of borrowers<br>Amount outstanding<br>Provision thereon)  | -                     | -            | -               | -     | -                   | -            | -               | -     | -                            | -            | -               | -     | -        | -            | -               | -     | - |

\* Excluding the figures of Standard Restructured Advances which do not attract higher provisioning or risk weight (if applicable).

## Deutsche Investments India Private Limited

### Notes to financial statements (Continued)

For the year ended March 31, 2023

(Currency: Indian Rupees in Millions)

### 32. Notes to accounts (Continued)

#### 32.28 Share-Based Compensation Plans

The Group made grants of share-based compensation under the Deutsche Bank AG (DB) Equity Plan. The plans are offered to select eligible employees and represents a contingent right to receive Deutsche Bank common shares after a specified period of time. The award recipient is not entitled to receive dividends during the vesting period of the award.

The share awards granted under the terms and conditions of the DB Equity Plan may be forfeited fully or partly if the recipient voluntarily terminates employment before the end of the relevant vesting period (or release period for Upfront Awards). Vesting usually continues after termination of employment in cases such as redundancy or retirement

The following table sets forth the basic terms of these share plans:

| Grant year(s) | Deutsche Bank Equity Plan    | Vesting schedule             |                          |
|---------------|------------------------------|------------------------------|--------------------------|
| 2022          | Annual Award                 | 1/4: 12 months               |                          |
|               |                              | 1/4: 24 months               |                          |
|               |                              | 1/4: 36 months               |                          |
|               |                              |                              | 1/4: 48 months           |
|               |                              |                              | 1/3: 12 months           |
|               |                              |                              | 1/3: 24 months           |
|               | Annual Award                 |                              | 1/3: 36 months           |
|               |                              |                              | 1/5: 12 months           |
|               |                              |                              | 1/5: 24 months           |
|               |                              |                              | 1/5: 36 months           |
|               |                              |                              | 1/5: 48 months           |
|               |                              |                              | 1/5: 60 months           |
|               | Retention/New Hire/Off-Cycle | Individual specification     |                          |
|               | Severance                    | Individual specification     |                          |
|               | Annual Award – Upfront       | Vesting immediately at grant |                          |
| 2019 -2021    | Annual Award                 | 1/4: 12 months               |                          |
|               |                              | 1/4: 24 months               |                          |
|               |                              | 1/4: 36 months               |                          |
|               |                              |                              | 1/4: 48 months           |
|               |                              |                              | 1/3: 12 months           |
|               |                              |                              | 1/3: 24 months           |
|               | Annual Award                 |                              | 1/3: 36 months           |
|               |                              |                              | 1/5: 12 months           |
|               |                              |                              | 1/5: 24 months           |
|               |                              |                              | 1/5: 36 months           |
|               |                              |                              | 1/5: 48 months           |
|               |                              |                              | 1/5: 60 months           |
|               | Retention/New Hire/Off-Cycle | Individual specification     |                          |
|               | Severance                    | Individual specification     |                          |
|               | Annual Award – Upfront       | Vesting immediately at grant |                          |
| 2017 -2018    | Annual Award                 | 1/4: 12 months               |                          |
|               |                              | 1/4: 24 months               |                          |
|               |                              | 1/4: 36 months               |                          |
|               |                              | 1/4: 48 months               |                          |
|               | Severance                    |                              | Individual specification |
|               |                              |                              | Individual specification |
|               | Retention/New Hire/Off-Cycle | Individual specification     |                          |

Furthermore, the Group offers a broad-based employee share ownership plan entitled Global Share Purchase Plan. The Global Share Purchase Plan offers employees in specific countries the opportunity to purchase Deutsche Bank shares in monthly installments over one year. At the end of the purchase cycle, the Group matches the acquired stock in a ratio of one to one up to a maximum of ten free shares, provided that the employee remains at Deutsche Bank Group for another year. In total, 2 staff enrolled in the cycle that began in November 2022. The Group has other local share-based compensation plans, none of which, individually or in the aggregate, are material to the consolidated financial statements.

## Deutsche Investments India Private Limited

For the year ended March 31, 2023

(Currency: Indian Rupees in Millions)

### 32. Notes to accounts (Continued)

#### 32.28 Share-Based Compensation Plans

The following table sets out the movements in share award units, including grants under the cash plan variant of the Deutsche Bank Equity Plan

| Share units                            | March 31, 2023 | March 31, 2022 |
|--|----------------|----------------|
| Balance outstanding at start of period | -              | -              |
| Granted                                | 2,589          | -              |
| Vested                                 | (265)          | -              |
| Forfeited                              | -              | -              |
| Other movements                        | -              | -              |
| Balance outstanding at end of period   | 2,324          | -              |

The following table sets out key information regarding awards granted, vested and remaining in the year .

| For the year ended March 31, 2023                     |   |  | For the year ended March 31, 2022                     |   |  |
|---|---|--|---|---|--|
| Weighted average fair value per award granted in year | Weighted average share price vested in year | Weighted average remaining contractual life in years | Weighted average fair value per award granted in year | Weighted average share price vested in year | Weighted average remaining contractual life in years |
| € 10.65   | € 11.49                                     | 2  | -   | -   | -  |

The grant volume of outstanding share awards was approximately INR 2.81 and INR Nil as of March 31, 2023 and March 31, 2022 respectively. Thereof, approximately INR 0.01 and INR Nil had been recognized as compensation expense in the reporting year or prior to that as of March 31, 2023 and March 31, 2022 respectively . Hence, compensation expense for deferred share-based compensation not yet recognized amounted to approximately INR 2.8 and INR Nil as of March 31, 2023 and March 31, 2022 respectively.

The following table presents a breakdown of specific expenses according to the requirements of Ind AS 102 Share based payment

| Expenses for share-based payments:                | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|-----------------------------------|-----------------------------------|
| Expenses for share-based payments, equity settled | 0.01                              | -                                 |
| Expenses for cash retention plans                 | -                                 | -                                 |

Including expenses for new hire awards and the acceleration of expenses not yet amortized due to the discontinuation of employment including those amounts which are recognized as part of the Group's restructuring expenses.

Compensation expense for awards classified as equity instruments is measured at the grant date based on the fair value of the share-based award. For share awards, the fair value is the quoted market price of the share reduced by the present value of the expected dividends that will not be received by the employee and adjusted for the effect, if any, of restrictions beyond the vesting date. In case an award is modified such that its fair value immediately after modification exceeds its fair value immediately prior to modification, a remeasurement takes place and the resulting increase in fair value is recognized as additional compensation expense.

The Company records the offsetting amount to the recognized compensation expense in additional paid-in capital ("APIC"). Compensation expense is recorded on a straight-line basis over the period in which employees perform services to which the awards relate or over the period of the tranches for those awards delivered in tranches. Estimates of expected forfeitures are periodically adjusted in the event of actual forfeitures or for changes in expectations. The timing of expense recognition relating to grants which, due to early retirement provisions, include a nominal but non-substantive service period are accelerated by shortening the amortization period of the expense from the grant date to the date when the employee meets the eligibility criteria for the award, and not the vesting date. For awards that are delivered in tranches, each tranche is considered a separate award and amortized separately.

Compensation expense for share-based awards payable in cash is remeasured to fair value at each balance sheet date and recognized over the vesting period in which the related employee services are rendered. The related obligations are included in other liabilities until paid.

## Deutsche Investments India Private Limited

### Notes to financial statements (Continued)

For the year ended March 31, 2023

(Currency: Indian Rupees in Millions)

#### 32. Notes to accounts (Continued)

##### 32.29 Additional Non Banking Finance Company disclosures

| S.No | Particulars  | Amount outstanding | Amount overdue            |
|------|--|--------------------|---------------------------|
|      | <b><u>Liabilities side :</u></b>   |                    |                           |
|      | <b>(1) Loans and advances availed by the NBFs inclusive of interest accrued thereon but not paid:</b>                                  |                    |                           |
|      | (a) Debentures :   |                    |                           |
|      | Secured (including Mark to market on debentures)   | -                  | -                         |
|      | Unsecured (other than falling within the meaning of public deposits*)  | 313.67             | -                         |
|      | (b) Deferred Credits   | -                  | -                         |
|      | (c) Term Loan  | -                  | -                         |
|      | (d) Inter- corporate loans & borrowings  | 2,535.08           | -                         |
|      | (e) Commercial Paper   | 12,565.75          | -                         |
|      | (f) Public Deposits (refer note 1 below)   | -                  | -                         |
|      | (g) Other Loans (CBLO)   | -                  | -                         |
|      | <b>(2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :</b>                 |                    |                           |
|      | (a) In the form of Unsecured debentures  | -                  | -                         |
|      | (b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security                       | -                  | -                         |
|      | (c) Other public deposits  | -                  | -                         |
|      | <b><u>Assets side :</u></b>  |                    |                           |
|      | <b>(3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below] (net of NPA provision):</b> |                    | <b>Amount outstanding</b> |
|      | (a) Secured  |                    | 18,190.72                 |
|      | (b) Unsecured  |                    | -                         |
|      | <b>(4) Break up of Leased Assets and stock on hire and hypothecation loans counting towards EL/HP activities</b>                       |                    |                           |
|      | (i) Lease assets including lease rentals under sundry debtors:   |                    |                           |
|      | (a) Financial lease  |                    | -                         |
|      | (b) Operating lease  |                    | -                         |
|      | (ii) Stock on hire including hire charges under sundry debtors:  |                    |                           |
|      | (a) Assets on hire   |                    | -                         |
|      | (b) Repossessed Assets   |                    | -                         |
|      | (iii) Other loans counting toward AFC activities   |                    |                           |
|      | (a) Loans where assets have been repossessed   |                    | -                         |
|      | (b) Loans other than (a) above   |                    | -                         |

## Deutsche Investments India Private Limited

### Notes to financial statements (Continued)

For the year ended March 31, 2023

(Currency: Indian Rupees in Millions)

#### 32. Notes to accounts (Continued)

##### 32.30 Additional Non Banking Finance Company disclosures (Continued)

| S.No   | Particulars                     | Market Value / Break up or fair value or NAV | Amount outstanding |
|--|---------------------------------|--|--------------------|
| <b>Assets side :</b>   |                                 |  |                    |
| <b>(5) Break-up of Investments (net of provision) :</b>  |                                 |  |                    |
| <u>Current Investments</u>   |                                 |  |                    |
| 1  | <u>Quoted :</u>                 |  |                    |
|  | (i) Shares: (a) Equity          | -  | -                  |
|  | (b) Preference                  | -  | -                  |
|  | (ii) Debentures and Bonds       | -  | -                  |
|  | (iii) Units of mutual funds     | -  | -                  |
|  | (iv) Government Securities      | 933.86                                       | 933.86             |
|  | (v) Others                      | -  | -                  |
| 2  | <u>Unquoted :</u>               |  |                    |
|  | (i) Shares: (a) Equity          | -  | -                  |
|  | (b) Preference                  | -  | -                  |
|  | (ii) Debentures and Bonds       | 24.25  | 24.25              |
|  | (iii) Units of mutual funds     | -  | -                  |
|  | (iv) Government Securities      | -  | -                  |
|  | (v) Others                      | -  | -                  |
| <u>Long Term investments</u>   |                                 |  |                    |
| 1  | <u>Quoted :</u>                 |  |                    |
|  | (i) Shares: (a) Equity          | -  | -                  |
|  | (b) Preference                  | -  | -                  |
|  | (ii) Debentures and Bonds       | -  | -                  |
|  | (iii) Units of mutual funds     | -  | -                  |
|  | (iv) Government Securities      | -  | -                  |
|  | (v) Others                      | -  | -                  |
| 2  | <u>Unquoted :</u>               |  |                    |
|  | (i) Shares: (a) Equity          | -  | -                  |
|  | (b) Preference                  | -  | -                  |
|  | (ii) Debentures and Bonds       | 2,009.99                                     | 1,823.60           |
|  | (iii) Units of mutual funds     | -  | -                  |
|  | (iv) Government Securities      | -  | -                  |
|  | (v) Others                      | -  | -                  |
| <b>(6) Borrower group-wise classification of assets financed as in (3) and (4) above (refer note 2 below):</b> |                                 |  |                    |
| <b>Category</b>  |                                 | <b>Amount net of NPA provisions</b>          |                    |
|  |                                 | <b>Secured</b>                               | <b>Unsecured</b>   |
|  |                                 |  | <b>Total</b>       |
| 1  | Related Parties                 |  |                    |
|  | (a) Subsidiaries                | -  | -                  |
|  | (b) Companies in the same group | -  | -                  |
|  | (c) Other related parties       | -  | -                  |
| 2  | Other than related parties      | 18,180.95                                    | -                  |
|  | <b>Total</b>                    |  | <b>18,180.95</b>   |

# Deutsche Investments India Private Limited

## Notes to financial statements (Continued)

For the year ended March 31, 2023

(Currency: Indian Rupees in Millions)

### 32. Notes to accounts (Continued)

#### 32.31 Additional Non Banking Finance Company disclosures (Continued)

| S.No Particulars  |  |   |                   |
|---|--|---|-------------------|
| <u>Assets side :</u>  |  |   |                   |
| <b>(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):</b>   |  |   |                   |
| <b>Category</b>   |  | <b>Market Value / Break up or fair value or NAV</b> | <b>Book Value</b> |
| <b>1 Related Parties (refer note 3 below)</b>   |  |   |                   |
| (a) Subsidiaries  |  | -   | -                 |
| (b) Companies in the same group   |  | -   | -                 |
| (c) Other related parties   |  | -   | -                 |
| <b>2 Other than related parties</b>   |  |   |                   |
| (a) Quoted  |  | 933.86  | 933.86            |
| (b) Unquoted  |  | 2,034.24  | 1,847.85          |
| <b>Total</b>  |  |   |                   |
| <b>(8) Other information</b>  |  |   | <b>Amount</b>     |
| <b>Particulars</b>  |  |   |                   |
| (i) <b>Gross Non-Performing Assets</b>  |  |   | <b>1,335.00</b>   |
| (a) Related parties   |  |   | -                 |
| (b) Other than related parties  |  |   | 1,335.00          |
| (ii) <b>Net Non-Performing Assets</b>   |  |   |                   |
| (a) Related parties   |  |   | -                 |
| (b) Other than related parties  |  |   | 619.25            |
| (iii) <b>Assets acquired in satisfaction of debt</b>  |  |   | -                 |
| <b>Notes:</b>   |  |   |                   |
| 1 As defined in xxvii of paragraph 3 of chapter -II of Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 (NFBC- Master Direction).  |  |   |                   |
| 2 Provisioning norms shall be applicable as prescribed in NFBC- Master Direction.   |  |   |                   |
| 3 All notified Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term (amortised cost in the case of Ind AS) or current (at fair value in the case of Ind AS) in (5) above. |  |   |                   |

## Deutsche Investments India Private Limited

### Notes to financial statements (Continued)

For the year ended March 31, 2023

(Currency: Indian Rupees in Millions)

#### 32. Notes to accounts (Continued)

##### 32.32 Long term contract

The Company has reviewed its long term contracts, as at the year end for which there are no material foreseeable losses. The Company did not have any outstanding derivative contracts as at the year end.

##### 32.33 CSR Expenditure

| Sr. No | Particulars   | For the year ended March 31, 2023   | For the year ended March 31, 2022  |
|--------|---|-------------------------------------|--|
| (a)    | Gross amount required to be spent by the company during the year.   | 10.47                               | 10.52  |
| (b)    | Amount spent during the year on:  |                                     |  |
|        | (i) Construction/acquisition of any asset   | -                                   | -  |
|        | (ii) On purposes other than (i) above   | 10.53                               | 0.20   |
| (c)    | The amount of shortfall at the end of the year out of the amount required to be spent by the Company during the year;*  | -                                   | 10.32  |
| (d)    | The total of previous years' shortfall amounts;   | -                                   | -  |
| (e)    | The reason for above shortfalls by way of a note;   | NA                                  | Contribution made to NGO towards an ongoing project. Since NGO do not spend, the amount clawed back. |
| (f)    | The nature of CSR activities undertaken by the Company  | Funding to an implementing partner. | Funding to an implementing partner.  |
| (g)    | Details of related party transactions (overhead expense allocation)   | 0.23                                | 0.20   |
| (h)    | Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately | NA                                  | NA   |

\* On April 29, 2022 INR 10.60 has been clawed back from the NGO to the Company, as per the extant regulations. The same was remitted back to the NGO and has been utilized by the NGO during FY 2022-23.

##### 32.34 Trade Receivable Ageing as at March 31, 2023

| Sr no | Particulars                                    | Unbilled | Outstanding for following periods from the date of transactions |                  |           |           |                   | Total |
|-------|--|----------|---|------------------|-----------|-----------|-------------------|-------|
|       |  |          | Less than 6 months  | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years |       |
| 1     | Undisputed Trade receivables – considered good | 25.54    | 1.35  | 0.64             | -         | -         | -                 | 27.53 |

##### Trade Receivable Ageing as at March 31, 2022

| Sr no | Particulars                                    | Unbilled | Outstanding for following periods from the date of transactions |                  |           |           |                   | Total |
|-------|--|----------|---|------------------|-----------|-----------|-------------------|-------|
|       |  |          | Less than 6 months  | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years |       |
| 1     | Undisputed Trade receivables – considered good | 26.00    | 1.12  | -                | -         | -         | -                 | 27.12 |

##### 32.35 Trade Payable Ageing as at March 31, 2023

| Sr no | Particulars           | Unbilled | Outstanding for following periods from the date of transaction |           |           |                   | Total  |
|-------|-----------------------|----------|--|-----------|-----------|-------------------|--------|
|       |                       |          | Less than 1 year   | 1-2 years | 2-3 years | More than 3 years |        |
| 1     | MSME                  | -        | -  | -         | -         | -                 | -      |
| 2     | Others                | 14.59    | 96.06  | 26.74     | 10.01     | 0.39              | 147.79 |
| 3     | Disputed Dues- MSME   | -        | -  | -         | -         | -                 | -      |
| 4     | Disputed Dues- Others | -        | -  | -         | -         | -                 | -      |

##### Trade Payable Ageing as at March 31, 2022

| Sr no | Particulars           | Unbilled | Outstanding for following periods from the date of transaction |           |           |                   | Total |
|-------|-----------------------|----------|--|-----------|-----------|-------------------|-------|
|       |                       |          | Less than 1 year   | 1-2 years | 2-3 years | More than 3 years |       |
| 1     | MSME                  | -        | -  | -         | -         | -                 | -     |
| 2     | Others                | 21.50    | 11.27  | 1.93      | 8.03      | 2.30              | 45.03 |
| 3     | Disputed Dues- MSME   | -        | -  | -         | -         | -                 | -     |
| 4     | Disputed Dues- Others | -        | -  | -         | -         | -                 | -     |



# Deutsche Investments India Private Limited

## Notes to financial statements (Continued)

For the year ended March 31, 2023

(Currency: Indian Rupees in Millions)

### 32. Notes to accounts (Continued)

#### 32.37 Additional disclosure requirement:

With regard to the new amendments under "Division III of Schedule III" under "Part I – Balance Sheet - General Instructions for preparation of Balance Sheet" clauses WA, WB (i),(ii),(iii),(iv),(v),(vi),(vii),(viii),(ix),(x),(xi),(xii),(xiii),(xv) and (xvi), the Company does not have any data/ information to disclose.

With regard to the new amendments under "Division III of Schedule III" under "Part II – Statement of Profit and Loss - General Instructions for preparation of Statement of Profit and Loss" clauses 11(v) and 11(vii), the Company does not have any data/ information to disclose.

#### 32.38 Previous Comparatives

Previous year figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For Borkar & Muzumdar

Chartered Accountants

ICAI Firm registration number:101569W

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NIRANJANBHAI  
VAGHANI  
VAGHANI

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**Devang Vaghani**

Partner

Membership No: 109386

For Deutsche Investments India Private Limited

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Date: 2023.05.24  
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**Manu Sharma**

Director

DIN: 09744923

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**Anjallee Paatil**

Director

DIN: 00643278

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Becharbhai

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Bharatkumar  
Becharbhai  
Date: 2023.05.24  
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**Bharat Gangani**

Company Secretary

ACS: 51420

Place: Mumbai

Date: May 24, 2023