STRONGER TOGETHER

Turning Challenges into Opportunities

Chaitanya

Svatantra

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Disclaimer:

This document contains statements about expected future events and financials of Chaitanya India Fin Credit Private Limited ('Chaitanya'), which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements.

STRONGER TOGETHER

Turning Challenges into Opportunities

The year gone by was marked by profound challenges for the microfinance industry. While many players faced decline and mounting losses, Chaitanya demonstrated leadership in adversity. We did more than endure the headwinds; we turned them into an opportunity to strengthen our resolve, sharpen our strategy, and build greater resilience.

This resilience was reinforced by the coming together of Chaitanya and Svatantra, a partnership that gave us access to the best of both worlds. Initiated in November 2023, this integration matured into tangible outcomes during the year under review, showing how a merger of values and capabilities can translate into sustainable opportunity. The acquisition created powerful synergies by combining Chaitanya's grassroots reach and deep experience in rural lending with Svatantra's operational expertise, advanced technology, and innovative mindset. Together, this combined strength has enabled us to expand responsibly, reach communities with limited access to formal credit more effectively, and build a stronger platform for sustainable growth.

As we step into 2025-26, our path is clear. We will continue to lead with resilience, grow responsibly, and pursue opportunities that create lasting value. Staying rooted in trust yet open to transformation, we, together with Svatantra, are prepared to shape the next phase of our journey.

About Us

Unlocking Potential through Microfinance

Chaitanya India Fin Credit Private Limited (Chaitanya or CIFCPL) is a systemically important NBFC-MFI headquartered in Bengaluru, Karnataka. Established in 2004 as a livelihood support entity and registered as an NBFC in 2009, Chaitanya has evolved into a rural finance company focused on strengthening the financial resilience of low-income families across India.

Our offerings include group lending and retail loans that help clients invest in agriculture, livestock, micro and small businesses, home improvement, and other essential needs. Today, we operate in 15 states and serve more than 1.8 Million borrowers with financial products that are designed to be simple, relevant, and accessible.

Since November 2023, we have been a wholly owned subsidiary of Svatantra Microfin Private Limited, positioning us as part of the second-largest microfinance platform in India. With a strong balance sheet, robust systems, and expanding scale, we are well positioned to grow with strength and stability. Supported by disciplined lending practices, high collection efficiency, and technology-driven operations, we continue to reinforce our role as a trusted partner in advancing financial inclusion and fostering growth.

Key Highlights

₹7,593 Crore
GLP
(+13.1% YoY Growth)

11,247
Employees
(29% YoY)

₹7,079 Crore
Disbursements
(10.1% YoY Growth)

AA-/Stable
CRISIL Credit Ratings
+ CARE Ratings

1.8 Million
Active Borrowers
(+5.8% YoY Growth)

1,038
Branches

Core Values

- Discipline
- Fairness
- Meritocracy
- Transparency
- Respect for Customers and Employees
- Continuous Learning

Geographical Presence

01. Haryana
02. Rajasthan
03. Gujarat
04. Maharashtra
05. West Bengal
06. Karnataka
07. Tamil Nadu
08. Telangana
09. MadhyaPradesh
10. Uttar Pradesh
11. Chhattisgarh
12. Jharkhand
13. Odisha
14. Kerala
15. Bihar

Disclaimer: This map is a generalized illustration only for the ease of the reader to understand the locations and is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company or any of its directors, officers or employees, cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any connection with its accuracy or completeness.

Message from the Chairperson

Leadership in Adversity

"Svatantra Microfin Pvt. Ltd. (SMPL), together with its wholly-owned subsidiary Chaitanya India Fin Credit Pvt. Ltd. (CIFCPL), which was acquired in November 2023, has not only executed a seamless integration of systems, processes, and policies but also emerged as the best performing NBFC-MFI in the industry."

Dear Shareholders,

I begin with heartfelt gratitude to everyone—our stakeholders, partners, and micro-entrepreneurs—for walking this journey with us. This collective spirit fuels our purpose and progress.

We have remained aligned with the national goal of Viksit Bharat by 2047—a vision that emphasizes India's progress built on self-reliance, innovation, and citizen empowerment. This vision rests on four pillars: **Yuva (Youth), Garib (Poor), Mahilayen (Women), and Annadata (Farmers).** While India has made significant progress on the financial inclusion index, a long road lies ahead to ensure equitable and sustainable development. The microfinance industry continues to play a pivotal role in driving financial inclusion and fueling grassroots entrepreneurship. At its core, microfinance is about empowering individuals, especially women, who form the backbone of rural and semi-urban economies.

Today, the microfinance sector reaches over **7 Crore women across 718 districts in 28 states and 8 union territories** Yet, formal credit remains accessible to only about **27% of India's population,** underscoring the untapped potential. The year 2024-25 was especially challenging. After the post-pandemic pent-up demand, the industry faced extreme heatwaves and a general election cycle, which created stress in portfolio quality across unsecured lending. As a result, the overall MFI portfolio declined by **13.5% year-on-year,** from ₹4,33,697 Crore in FY24 to ₹3,75,030 Crore in FY25, with several players reporting losses or marginal profitability.

While the sector has faced headwinds in recent years, including rising indebtedness in certain geographies and evolving regulatory scrutiny, it remains resilient. I am proud to share that **Svatantra Microfin Pvt. Ltd. (SMPL),** together with its wholly owned subsidiary **Chaitanya India Fin Credit Pvt. Ltd. (CIFCPL),** which was acquired in November 2023, has not only executed a seamless integration of systems, processes, and policies but also emerged as the **best performing NBFC-MFI in the industry.**

₹7,593 Crore
AUM in 2024-25

23.55%
CRAR

The **CIFCPL (a wholly owned subsidiary Company of SMPL)** achieved **AUM of ₹7,593 Crore in FY25,** growing by **13.1% year-on-year** despite a shrinking industry base. We delivered a robust **Return on Assets of 4%,** supported by responsible lending practices, fair pricing, and strict adherence to regulatory codes of conduct. Our financial strength was underlined by strong capitalization, with **CRAR at 23.55% for CIFCPL,** ensuring resilience in an uncertain environment.

Our resilience is a reflection of the Company's deep customer connect, proactive risk assessment, and strong foundation of ethics and governance. By visualizing evolving patterns and acting on early warning signs, the team adopted a calibrated growth approach and a robust risk-based framework. We also welcomed the guardrails set by SROs such as MFIN and Sa-Dhan, as important steps toward addressing over-leverage in customer segments.

During FY25, we achieved key milestones in our integration journey:

- Adoption of a **common set of policies** across governance, operations, finance, IT, risk, audit, HR, and more.
- Migration to a **common technology platform** for customer onboarding, underwriting, and servicing.
- Alignment with **key vendors** and creation of a unified interface for liability management.

These steps will help us realize synergies and drive operational efficiencies as we pursue our next milestones.

One of the defining highlights of the year was the completion of a landmark **₹1,930 Crore investment by Advent International and Multiples PE**—the largest private equity investment in India's microfinance sector to date. This infusion not only strengthens our ability to support customers but also reflects investor confidence in our governance and portfolio quality. Strengthening governance has been a priority. We welcomed new independent directors to our board, appointed Ernst & Young as statutory auditors, and secured reaffirmation of our **AA- (Stable)** rating by CRISIL and CARE. I want to reaffirm that the **promoters remain strongly committed,** with ownership above 51% in all scenarios, ensuring long-term stability and readiness to infuse capital when required.

This infusion not only strengthens our ability to support customers but also reflects investor confidence in our governance and portfolio quality.

18.4 Lac
Active Borrowers

The **two-way merger** of Svatantra Holding Pvt. Ltd. and CIFCPL into SMPL is progressing through the NCLT process. With approvals awaited from RBI and other authorities, we expect the merger to be completed by FY26. Once finalized, **Svatantra Microfin Pvt. Ltd. will house Svatantra Micro Housing Finance Corporation Ltd. (SMHFCL) as a wholly-owned subsidiary,** thereby creating a well-integrated platform offering both unsecured and secured credit solutions.

We welcome the RBI's progressive stance in allowing NBFC-MFIs to diversify their assets. This enables us to offer a wider suite of financial services—both unsecured and secured—to rural customers while de-risking our own portfolio. At **CIFCPL,** this diversification is already in motion, through both our JLG and individual lending formats, as well as affordable housing and MSME loans under SMHFCL. With over **18.4 Lac active borrowers,** we are well placed to leverage our reach and experience to expand responsibly.

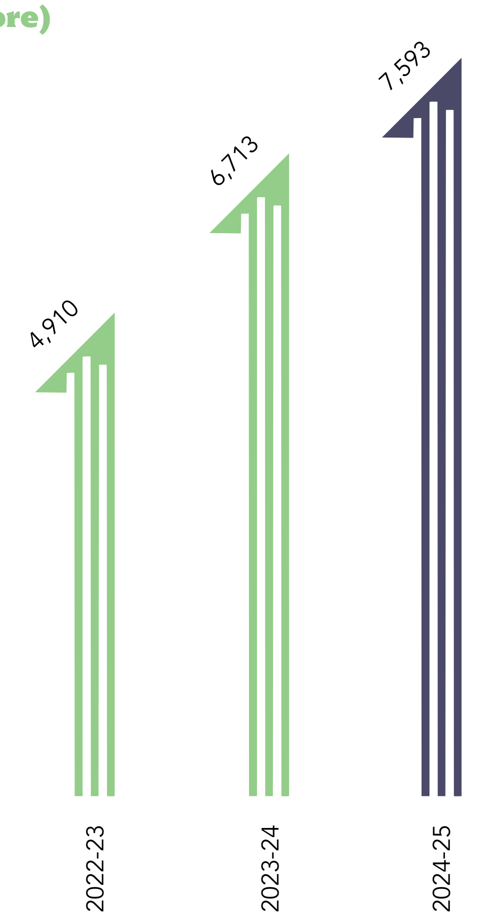
None of this would have been possible without the trust of our liability partners—banks, NBFCs, DFIs, foreign institutions, and bondholders—who continue to support us, and without the dedication of our **11,000+ employees** whose vision, skills, and camaraderie have powered our resilience.

As we look ahead, I am confident that the Company is on track to emerge as one of the most valuable NBFC-MFIs in the country. With innovation, governance, and customer-centricity as our guiding principles, we remain committed to enabling livelihoods, empowering women, and fueling the India growth story—fully aligned with the vision of Viksit Bharat 2047.

Warm regards,

Ananya Birla
Chairperson

AUM
(₹ Crore)



Message from the MD

Resilience, Responsibility, and the Road Ahead

"Our credit costs stood at 3.08%, among the lowest in the industry, and we achieved growth of 13.1%, one of the highest across the sector."

Dear Shareholders,

FY24-25 was one of the toughest years for the microfinance sector. For the first time, the industry witnessed a significant rise in defaults without any major external disruption driving it. This made the challenge even more complex, as it stemmed from within the sector itself rather than from natural calamities, political events, or global shocks that we had experienced in the past. In such a difficult environment, Chaitanya demonstrated resilience and discipline. Our **credit costs stood at 3.08%,** among the **lowest in the industry,** and we achieved **growth of 13.1%**, one of the **highest across the sector.** This outcome was possible because of the extraordinary efforts of our employees, who worked tirelessly in the field, and the trust of our customers, who continued to believe in us during uncertain times.

The strength of Chaitanya lies in its people and its purpose. Despite the turbulence, our teams ensured that we stayed close to our customers, listening to them, understanding their realities, and offering timely solutions. Many of our customers faced hardships, yet their determination to repay and continue their journey with us is a reminder of the resilience that microfinance supports and nurtures. Together, we showed that strong relationships, discipline, and customer-centricity can help overcome even the toughest sectoral crises.

The year also marked significant progress in our **merger with our parent company, Svatantra Microfin.** The coming together of Svatantra and Chaitanya has proven to be both timely and synergistic, equipping us with **a well-diversified portfolio** that became a key strength in navigating the crisis. Diversification is critical in microfinance, and the combined entity is today one of the most balanced and resilient players in the sector.

The strength of Chaitanya lies in its people and its purpose. Despite the turbulence, our teams ensured that we stayed close to our customers, listening to them, understanding their realities, and offering timely solutions.

While the legal merger process will take some additional time, FY24-25 saw **remarkable strides in integration.** Our two organizations worked seamlessly to complement each other's strengths. The results speak for themselves: the **combined credit cost of the two entities stood at 3.59%,** among the lowest in the industry. We also made visible progress in integrating multiple functions—field operations, audit, IT, credit, quality control, and risk management—laying the foundation for a stronger, more unified institution.

Our vision is clear: to evolve into a **data-driven, analytics-led, technology-powered organization** that stands as a benchmark for best-in-class microfinance in India. With our entrepreneurial spirit and deep field connect, we are creating an institution that is both innovative and grounded, combining the best of scale, discipline, and agility.

I also want to extend my **deepest appreciation to our lender banks and financial partners,** whose continued confidence has been instrumental in fuelling our growth and enabling us to serve customers better. Their trust has been invaluable in helping us overcome challenges and continue our mission of improving the lives of low-income families across the country.

As we look to the future, the experiences of FY24-25 have not only strengthened our foundation but also reinforced our conviction in the purpose that drives us. **With 15 years of Chaitanya's legacy** behind us and the **strength of the Svatantra family** with us, we are poised for the next chapter of growth. Together, we will continue to empower women, transform livelihoods, and move closer to our vision of building a more inclusive and equitable India.

Thank you,

Anand Rao

Managing Director

Our Offerings

Credit that Creates Change

The Indian microfinance sector displayed resilience in 2024-25, with NBFC-MFIs continuing to play a key role in expanding financial access to households. As one of the leading players, we remained focused on rural entrepreneurs, especially women, through financial products tailored to their evolving needs.

With most of the country's MSMEs operating in rural and semi-urban areas, the demand for accessible financing continues to be significant. Our strong presence across these regions enables us to bridge this gap by supporting income generation, business expansion, and improved living standards.

We design our loans to align with the unique borrowing needs of every client. In 2024-25, we expanded our reach to over 18.43 Lac active borrowers across 15 states, helping households pursue their financial goals with confidence. Backed by sound risk management, data-driven decision-making, and technology-enabled systems, we ensured timely and affordable credit where it is needed most.

Our Product Suite

Group Lending (Joint Liability Group - JLG)

Our JLG loans remain the backbone of our model, anchored in collective responsibility and community support. These loans not only provide women with access to credit but also offer a platform to come together, share experiences, and support each other in their entrepreneurial journeys. Each member of a JLG is equally accountable for timely repayment, which fosters financial discipline and strengthens trust within the group. From small trade and agricultural activities to new enterprises, JLGs enable women to unlock their potential and drive rural economic growth.

Scope and Purpose

- Targeted at women in rural and semi-urban areas
- Supports income-generating activities and business expansion
- Build community networks

Loan Details

Parameter	Details
Maximum Loan Size	Up to ₹1.5 Lac
Repayment Method	Weekly/Biweekly/Monthly instalments
Tenure	Up to 36 months

Best of Both Worlds

Synergies Facilitating Future-Preparedness

The coming together of Chaitanya India Fin Credit and Svatantra Microfin was more than an acquisition; it was a convergence of shared values, vision, and capabilities. This integration has enabled the combined entity to scale new heights while continuing to serve the grassroots with deeper impact. By aligning operational excellence with a common mission of financial inclusion, we have built a stronger, more resilient institution: one that balances scale with responsibility, reach with relevance, and growth with purpose.

The Synergies

Second-Largest Microfinance Company
The acquisition positioned the combined entity as India's second-largest NBFC-MFI, with operations spanning 20+ states, 2,025 branches, and 4 Million customers, managing a loan portfolio of ₹14,902 Crore.

Shared Vision and Values
Both institutions are bound by a commitment to supporting women entrepreneurs, transforming livelihoods, and advancing financial inclusion.

Credit Rating Upgrade
Chaitanya's rating was upgraded to 'AA- (Stable)' by CRISIL and CARE Ratings, reflecting enhanced financial stability post-integration.

Expanded Scale and Reach
A broader geographic presence and customer base enhance the ability to deliver inclusive finance across diverse communities.

Operational Synergies
Adoption of best practices from both entities has enabled smoother processes, efficiency gains, and resilience in operations.

Unified Leadership
With Ananya Birla as Chairperson, both entities now operate under aligned leadership, steering a cohesive growth strategy.

2nd
Largest NBFC-MFI in India

7 Million+
Lives Impacted

₹14,902 Crore
AUM

2,025
Branches

₹12,623 Crore
Disbursement

Note: All numbers are based on the combined performance of Svatantra and Chaitanya India.

Pillars of Chaitanya India

Analytics-Led Decision-Making

We were among the early movers in microfinance to embed analytics into every stage of our operations, from credit underwriting to collections and risk assessment. By leveraging predictive analytics, we can identify early warning signals and intervene in time, before challenges escalate. What makes this truly powerful is that insights are not limited to top management; they are democratized and flow seamlessly across the organization, reaching even our last-mile field teams. This ensures that every decision, whether strategic or operational, is guided by real-time intelligence and enhanced foresight.

The Impact

94.86% Collection Efficiency

13.1% Portfolio Growth

0.29% NNPA

Culture of Agility and Proactiveness

At the heart of our success lies a culture defined by agility and proactiveness. We see challenges as opportunities to adapt, and market shifts as chances to rethink and innovate. Resilience, adaptability, and speed of execution are not just qualities but; they are deeply embedded in our organizational DNA. This cultural strength has enabled us to anticipate customer needs, respond faster than peers, and build lasting trust with the communities we serve. It is this mindset that gives us a decisive competitive edge and keeps us ahead in a dynamic sector like microfinance.

The Impact

11,247 Employees

HR Initiatives and Achievements

Fostering a Supportive and Progressive Workplace

At Chaitanya India, we are committed to building a workplace that recognizes every employee's contribution, prioritizes well-being, and leverages technology for continuous improvement.

Over the past year, several key initiatives and achievements have strengthened our organizational culture and operational efficiency.

1-on-1 Help

We offer 24/7 access to Employee Assistance Program (EAP) consultants, ensuring that emotional support is always within reach. Our initiatives include mental health awareness workshops and stress management training.

Group Term Life Insurance (GTL)

As part of our commitment to employee well-being, we have introduced Group Term Life Insurance for all staff members. This initiative provides financial security and peace of mind, reinforcing our dedication to supporting employees and their families.

Employee Grievance Redressal

To address employee concerns promptly and effectively, we have launched a toll-free grievance number. This service is available to both current and former employees, ensuring that all queries and issues are resolved transparently and efficiently, even after an employee's exit from the organization.

Implementation of a New HR Management System (HRMS)

We have successfully implemented a new HRMS that manages employee data, including transfers, promotions, confirmations, leave and attendance, as well as exit processes, NDC, and exit surveys. These enhancements have streamlined our HR operations, ensuring greater efficiency and transparency throughout the employee lifecycle.

Digitization of Loan Officer Onboarding

In line with our commitment to leveraging technology, we have digitized the loan officer onboarding process using advanced recruitment software. This digital transformation has optimized our recruitment workflows and significantly improved the onboarding experience for new employees.

Diversity and Inclusion

We are proud to share that the in addition the number of female staff members has increased by nearly 50% over the past year. This growth reflects our ongoing efforts to promote gender diversity and create an inclusive workplace.

Fresher Recruitment

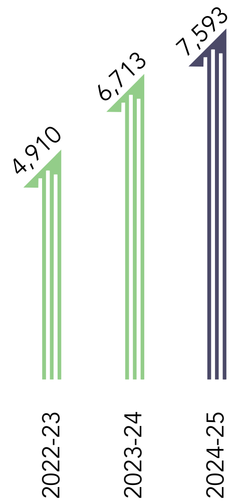
Approximately 80% of our new employees are freshers. By providing opportunities to young talent at the start of their careers, we are not only supporting youth employment but also nurturing the next generation of professionals.

Financial Highlights

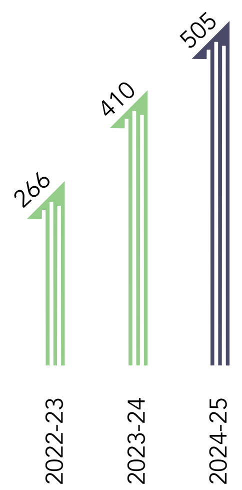
Resilience
Translated into Results

In a year marked by shifting macroeconomic dynamics and evolving customer needs, Chaitanya India demonstrated both financial resilience and operational strength. Our focus on disciplined growth, technology integration, and prudent risk management enabled us to safeguard portfolio quality while expanding outreach. Backed by strong governance and a customer-first philosophy, we delivered results that reflect not only stability today but also preparedness for sustained growth in the years ahead.

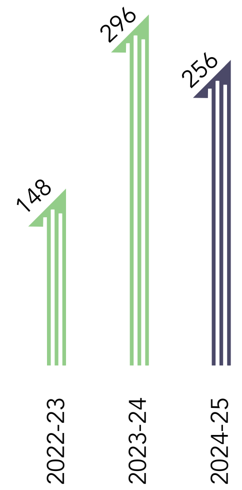
AUM
(₹ Crore)



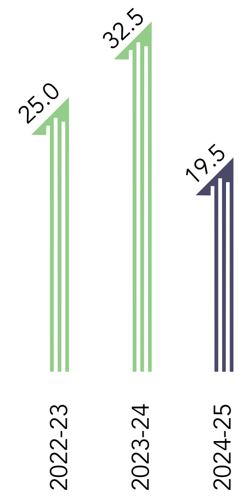
Interest Expense
(₹ Crore)



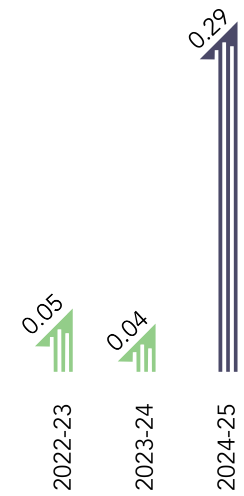
PAT
(₹ Crore)



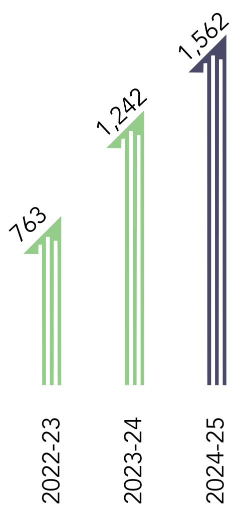
Return on Equity
(%)



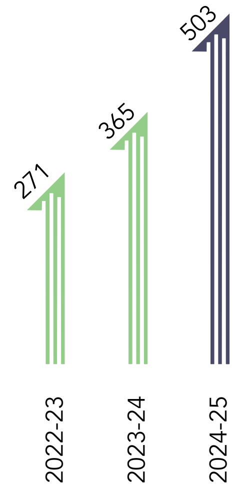
Net NPA Ratio
(%)



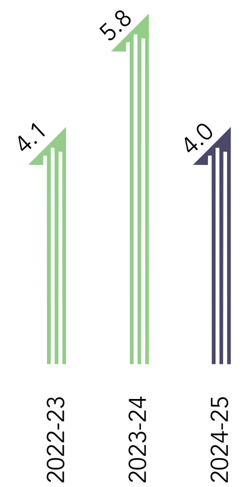
Total Income
(₹ Crore)



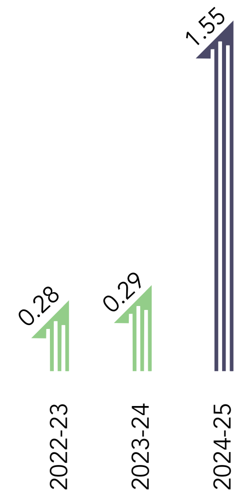
Operating Expenses
(₹ Crore)



Return on Assets
(%)



Gross NPA Ratio
(%)



Risk Management

Risk Management Strategy

A robust Risk Management Framework is essential for ensuring long-term sustainability and fostering sustained growth. An effective approach requires the continuous evaluation of both internal and external risks. Our data-driven approach to Risk Management has helped us to identify, monitor and mitigate potential risks effectively.

We safeguard portfolio quality by applying a structured income assessment methodology, seamlessly integrated with a dynamically evolving Business Rule Engine (BRE). This enhances credit decision-making and ensures consistent and disciplined policy enforcement.

We have implemented an Operational Risk Framework designed to enhance efficiency and ensure strict adherence to laws and regulations.

This framework is further reinforced by deploying score-based models to evaluate branch-level indicators, enabling the development of targeted action plans.

We have established an Early Warning Signals (EWS) system to proactively detect irregularities in field operations. These anomalies are reviewed during field risk governance meetings to enable prompt corrective actions. Over time, the system will further enhance fraud detection, mitigate risks, and strengthen operational security.

Our continuous investment in Risk Management ensures we remain agile and prepared for upcoming challenges and opportunities in the market.

Risk	Risk Scenario	Mitigation Strategy
Credit Risk	The borrower's default or failure to repay a loan results in financial losses for our Company.	We have developed robust systems, procedures, and tools to effectively manage credit risk. We leverage data-driven models to strategically enter new markets and expand within existing ones. Additionally, acceptable levels have been established for key risk indicators, including geographical concentration, PAR breaches, quick mortality accounts, and non-starter accounts. Any breach of these thresholds prompts immediate corrective actions. Further, our Company is guided by the RBI and SRO (MFIN) guidelines issues from time to time while deploying the Risk Management strategies.
Liquidity Risk	Ensuring the maintenance of an adequate liquidity buffer at all times to meet immediate obligations, including debt repayments and committed loan disbursements.	We strictly adhere to tolerance and prudential limits for structural liquidity across various time buckets, as outlined in the ALM policy. Liquidity is closely monitored against 30-day obligations through daily LCR assessments. Additionally, stress testing under adverse scenarios is conducted to evaluate the resilience and effectiveness of the liquidity position.
Operational Risk	Risks arising from processes, people, systems, or external events can affect earnings and, in rare instances, pose a threat to solvency.	We have institutionalized robust incident and losses reporting mechanism covering operational risk scenarios as outlined in Basel III guidelines. Our Company has also developed a Risk and Control Self-Assessment (RCSA) process for identifying, assessing, and evaluating operational risks. Operational risks are managed through combination of internal controls, training, insurance, IT security and Business continuity planning.
IT Risk	Our Company uses technology-driven information systems to carry out its business. Information systems are subject to serious threats that could have adverse effect on the organizational operations, assets, and individuals by exploiting known and unknown vulnerabilities to compromise the confidentiality, integrity or availability of the information being processed, stored or transmitted by system.	IT risk management is a vital element of our company's broader risk management framework. Our program is structured to proactively identify, evaluate, and address risks related to cybersecurity, data privacy, system reliability, and third-party vendors. Oversight of IT risk is embedded within our governance processes, with regular updates provided to senior management and the Audit Committee of the Board. These efforts help us reduce the likelihood and impact of IT-related incidents on our operations, financial results, and reputation, while maintaining full compliance with applicable regulatory standards.

Internal Control Framework

Internal control framework is fundamental to ensuring compliance and safeguarding the integrity of our operations. The three-lines model provides a comprehensive approach to operational oversight and fosters strong collaboration across teams at every level.

The Company has three lines model maintain the risk culture, including:

First Line: Business units are responsible for day-to-day execution of controls, policies, and compliance with laws and regulations. Department heads own and manage risks and implement corrective actions to address process and control deficiencies.

Second Line: The Risk Management and Compliance Function is the owner of risk management policies and models. It ensures risks are identified, assessed, managed, and reported, and provides the Board and management with all relevant risk-related information.

Third Line: Internal Audit oversees the internal control framework of the institution, including the Risk Control and Compliance functions. It provides assurance of the effectiveness and adequacy of risk management practices to the Board.

Day-to-day management and monitoring of risks takes place at the department level, with the Chief Risk Officer reporting back on risks to the RMC. The RMC provides assurance to stakeholders through its oversight of risk management and ensures compliance with organizational risk management policies. Internal and external audits provide additional assurance to compliance.

As the Company grows in scale, the responsibility of the Internal audit team becomes more critical. We have a strong field internal audit team, which focusses on branch audits. We have invested in mobility-based application (Audit 360) for conducting branch audits covering various aspects of disbursement, collections, and branch records, among others, and releasing branch grading for branches audited. This tool is integrated with various business systems. The audit process incorporates verification of both pre-facto (Pre-disbursement) and post facto (Post-disbursement) controls. The field audit team also uses extensive data analytics for sampling customers and identify control lapses.

The process audit team at head office conducts comprehensive internal audits of revenue, expense, information technology, corporate finance, IT security, and regulatory compliance, including risk management function backed by extensive data analytics and insights.

The Head of Internal Audit reports to Audit Committee of the board and update the findings on a quarterly basis. This is coupled with periodic updates to various business stakeholders, including senior management team. The audit team ensures strong follow up on Action taken report emanating from the previous audit reports to ensure all open risks are addressed in timely manner.

Customer Testimonials

Collective Actions, Enduring Change

In the heart of India's rural and semi-urban regions, Chaitanya India nurtures entrepreneurial spirit, providing individuals and families opportunities to pursue their aspirations By offering access to responsible finance, we facilitate stronger livelihoods, new opportunities, and progress toward financial independence. Each loan is more than credit; it is a step toward resilience, growth, and a brighter tomorrow.

Scan to watch customer testimonial

CSR

Transforming Care into Impact

We believe that growth has meaning only when it creates a positive difference in the lives of people and communities.

Guided by this philosophy, our CSR initiatives go beyond compliance, focusing on addressing critical social needs and empowering individuals to shape a better future. During the year, our efforts spanned disaster relief, healthcare, education, skill development, gender equality, mental health, and environmental sustainability. Each initiative was designed to respond to community priorities while fostering long-term resilience.

Our approach remains rooted in inclusivity and impact, ensuring that every rupee spent in CSR translates into improved lives, stronger communities, and a more sustainable tomorrow.

₹435 Lac
Total CSR Spend

₹108.9 Lac
Internal Projects

₹323.7 Lac
External Projects

₹2.36 Lac
Capacity Building

Key Beneficiaries

Thousands across Karnataka, Maharashtra, Jharkhand, Bihar, Rajasthan, and Delhi

Focus

Well-being, livelihoods, education, women's empowerment, environment, and inclusive growth

Key Projects

Thematic Area	Key Partners / Projects	Impact Highlights	Geographies
Mental Health & Well-being 	**Ananya Birla Foundation (ABF)- Positive YUVA Network**	**5,500+ individuals** benefited through therapy sessions, college campaigns, and wellness activities. **10 youth leaders** living with HIV in Rajasthan trained to lead peer groups, awareness workshops, and advocacy.	Maharashtra, Rajasthan
Women's Empowerment & Livelihoods 	**GAME (Global Alliance for Mass Entrepreneurship)- Children India Foundation (CIF)**	**20,000 women** supported with entrepreneurial skilling and opportunities - CIF worked with early married girls to improve agency, education, and access to community support.	Karnataka, Jharkhand, Bihar
Creative Learning & Education 	**Slam Out Loud**	Introduced arts-based learning for **1,000 children** and trained **92 teachers**, fostering confidence and creative expression.	Delhi, Maharashtra
Community Support & Disaster Relief 	**Internal CSR Projects**	Immediate assistance during floods, infrastructure upgrades, and healthcare support. **6,500+ trees planted** through Grow Trees for afforestation and climate resilience.	Karnataka, Maharashtra, Bihar
Inclusive Growth & Capacity Building 	**Cross-program strengthening**	**₹2.36 Lac** allocated to capacity building for CSR delivery. Stronger monitoring and evaluation frameworks introduced post Svatantra acquisition.	Multi-State

Governance

Driving Accountability and Transparency

We consider corporate governance as the backbone of our business philosophy and the guiding principle of our long-term vision. Our approach goes beyond regulatory compliance, embedding transparency, accountability, and ethical conduct into every facet of our operations.

Board of Directors

Ms. Ananya Birla
Chairperson

Mr. Vineet Bijendra Chattree
Whole-Time Director

Mr. Anand Rao
Managing Director

Ms. Meena Jagtiani
Independent Director

Mr. Natarajan Girija Shankar
Independent Director

Management Team

Mr. Anand Rao
Managing Director

He has over two decades of professional experience, including 15 years in microfinance, and contributes deep leadership and strategic insights to Chaitanya India.

Mr. K V Ganesh
Head - Internal Audit

With more than 23 years of expertise, he has contributed extensively to the banking, finance, and FMCG industries.

Mr. Rakesh Yadav
Chief Financial Officer

Finance professional with 10+ years' expertise in NBFCs, specializing in audits, ECL modelling, GAAP transitions, and complex financial instruments.

Mr. Santhosh J S
Head - Analytics

Brings 10+ years of expertise in financial modelling, valuation, and strategic planning.

Mr. Linjin Tiruvangadan
Chief Technology Officer

With more than 18 years of experience across banking, NBFC, MFI, and software sectors, he contributes versatile expertise to the organization.

Mr. Deepak Kumar Jha
Head - Business

Experienced leader with 19 years of expertise in microfinance and public health.

Mr. Mattar Rakesh Krishna
Head - Product and Process Excellence

With over 18 years of experience, he has significantly contributed to enhancing the Company's operational effectiveness and process efficiencies.

Mr. Neeraj Jain
Company Secretary

Accomplished professional with a strong track record as a Company Secretary and Compliance Officer.

Mr. Gaurav Pathak
Head - HR

With over 19 years of experience in Human Resources, he has successfully managed the entire employee lifecycle across diverse sectors.

Mr. Manjunath B V
Head - Credit

Brings over two decades of expertise in the financial services sector, with a strong focus on credit, sales, operations, and product management.

BOARD'S REPORT

Dear Members,

The Board of Directors have the pleasure in presenting the Sixteenth Board's Report of Chaitanya India Fin Credit Private Limited ("Company"/ "CIFCPL"/ "Chaitanya") together with the Audited Financial Statements for the Financial Year ended on 31 March, 2025.

1. FINANCIAL SUMMARY AND HIGHLIGHTS

The Financial Statements of the Company for the year ended 31 March, 2025, have been prepared in accordance with Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Schedule III to the Act, as amended from time to time.

(All amount in ₹ Lacs)

Particulars	2024-25	2023-24	Percentage Change 2024-25
Total income	1,56,218.39	1,24,231.95	25.75%
Finance cost	50,527.86	41,032.40	23.14%
Net income	**1,05,690.53**	**83,199.55**	**27.03%**
Operating expenses	50,270.74	36,511.83	37.68%
Pre provision operating profit	**55,419.79**	**46,687.72**	**18.70%**
Impairment of financial instruments	21,598.78	7,793.47	177.14%
Profit before tax	**33,821.01**	**38,894.25**	**(13.04%)**
Profit after tax	**25,576.36**	**29,573.98**	**(13.52%)**
Other comprehensive income	(128.04)	127.59	(200.35%)
Total comprehensive income	**25,448.32**	**29,701.57**	**(14.32%)**
Basic Earnings Per Share (EPS) (in rupees)	15.59	19.07	(18.25%)
Diluted Earnings Per Share (DPS) (in rupees)	15.59	19.07	(18.25%)

Note: Due to rounding off, numbers presented above may not add up precisely to the totals provided

During the financial year the Company's revenue grew by 25.75% to ₹ 1,56,218.39 Lacs (previous year ₹ 1,24,231.95 Lacs) and the net income grew by 27.03% to ₹ 1,05,690.53 Lacs (previous year ₹ 83,199.55 Lacs). The total operating expenses grew by 37.68% to ₹ 50,270.74 Lacs (previous year ₹ 36,511.83 Lacs). Profit before tax decline by -13.04% to ₹ 33,821.01 Lacs (previous year ₹ 38,894.25 Lacs). Profit after tax decline by (13.52%) to ₹ 25,576.36 Lacs (previous year ₹ 29,573.98 Lacs). Total comprehensive income declines by (14.32%) to ₹ 25,448.32 Lacs (previous year ₹ 29,701.57 Lacs). During the year the Company provided an impairment allowance of ₹ 21,598.78 Lacs (previous year ₹ 7,793.47 Lacs).

2. KEY OPERATIONAL HIGHLIGHTS

Particulars	2024-25	2023-24	Percentage Change 2024-25
Branches	1038	848	22.41%
Districts	222	196	13.27%
States	15	12	25.00%
Borrowers (in Lacs)	18.4	17.4	5.75%
JLG Loans disbursed (₹ in Lacs)	6,96,663	6,33,386	9.99%
Total assets under management (₹ in Lacs)	7,59,275	6,71,330	13.10%

During the year, the number of branches grew by 22.41% to 1038 (previous year 848). The number of borrowers grew by 5.75% to 18.4 Lacs (previous year 17.4 Lacs). JLG Loan disbursal grew by 9.99% to ₹ 6,96,663 Lacs (previous year ₹ 6,33,386 Lacs). Total assets under management grew by 13.10% to ₹ 7,59,275 Lacs (previous year ₹ 6,71,330 Lacs).

3. TRANSFER TO RESERVES

As per the extant guidelines of Reserve Bank of India for NBFCs, the Company transferred 20% of its profits for the year amounting to ₹ 5115.28 Lacs to reserves created as per the norms laid down under Section 45-IC of the Reserve Bank of India Act, 1934.

The Company has not transferred any amount to the General Reserve for the year under consideration.

4. DIVIDENDS

The Board of Directors has not recommended any dividend on Equity Shares for the financial year 2024-25, in order to augment the capital requirements for supporting the growth of business of the Company, through retention of internal accruals which requires substantial resources.

5. PUBLIC DEPOSITS

The Company being a non-deposit taking Systemically Important NBFC-MFI has not accepted any deposits from the public during the financial year under review in accordance with Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

6. RBI GUIDELINES

The Company is registered with the Reserve Bank of India as NBFC-MFI within the provisions of the section 45-IA of the Reserve Bank of India Act, 1934. The Company continues to comply with all the requirements prescribed by the Reserve Bank of India as applicable to it.

Pursuant to the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, as amended, the disclosure on liquidity risk, on a quarterly basis, is also uploaded on website of the Company and details of the same are separately disclosed in the notes to the financial statements forming part of this Annual Report.

Disclosures under RBI Guidelines

The relevant disclosures applicable under the RBI Master Directions have been made in the Annual Financial Statements for the financial year ended 31 March, 2025.

During the financial year under review, no penalties have been imposed on the Company by any of the regulatory authorities as applicable to the Company.

Scale Based Regulations

Pursuant to RBI circular on 'Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs' dated October 19, 2023, as amended from time to time the Company was categorized as NBFC-Middle Layer ("NBFC - ML") and it continues to be under the same category till date.

7. CAPITAL ADEQUACY

The Company being a Non-Deposit Accepting NBFC is subject to the capital adequacy requirements prescribed by the Reserve Bank of India. The Company is required to maintain a minimum Capital to Risk Asset Ratio (CRAR) of 15% as prescribed under the (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 (as amended from time to time) based on total capital to risk weighted assets. As of 31 March, 2025, the Company's total Capital to Risk Asset Ratio stood at 23.55% out of which Tier I capital adequacy ratio as on 31 March, 2025, stood at 20.77% and Tier II capital adequacy ratio as on 31 March, 2025, stood at 2.78%. Accordingly, it is well above the regulatory minimum of 15%.

8. DISCLOSURES RELATING TO SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES.

The Company does not have any subsidiary, associate and joint venture Company during the financial year under review in terms of the Companies Act, 2013 ("Act").

9. SCHEME OF AMALGAMATION

The Board of Directors of the Company, Svatantra Holdings Private Limited and Svatantra Microfin Private Limited, the Holding Company at their meeting held on 06 November, 2024, approved a Scheme of Amalgamation **("Proposed Scheme / Proposed Amalgamation")** between Svatantra Holdings Private Limited ("First Transferor Company") and Chaitanya India Fin Credit Private Limited ("Second Transferor Company") (Together referred to as "Transferor Companies") and Svatantra Microfin Private Limited ("Transferee Company") and their respective shareholders. The proposed amalgamation will be subject to regulatory and other approvals as may be required.

The proposed amalgamation will inter-alia enable geographical diversification of the portfolio, simplify the group structure with significant improvement in portfolio quality and cost efficiencies, creating value for and would be in the interest of all the stakeholders, avoidance of duplication of administrative functions. It will further reduce the multiplicity of legal and regulatory compliances and costs and will provide access to a large client base, availability of increased resources, expertise and further strengthening the customer base and servicing its existing as well prospective customers.

After the amalgamation becomes effective, the assets, liabilities, and the entire business of Transferor Companies will be transferred and vested with the Transferee Company and equity investment of Transferee in the Company will be cancelled. The Company will be dissolved without the process of winding up.

The BSE Limited vide its letter dated 06 February, 2025, issued Observation Letter with 'no adverse observations' in respect of the Proposed Scheme.

The Company has filed an application with NCLT on 03 March, 2025, for the Proposed Scheme and the first motion application was heard by the Hon'ble NCLT, Mumbai bench on 6th May 2025, seeking direction for holding meetings of Debenture holders for obtaining their approval for the Proposed Scheme of Amalgamation. The order seeking direction for holding meetings of Debenture holders for obtaining their approval for the Proposed Scheme was pronounced on 10th June 2025. Pursuant to the said order the Company is in process of convening the meetings of Debenture holders to obtain their approval for the Proposed Scheme.

10. SHIFTING OF REGISTERED OFFICE

During the year under review, vide its Oder dated May 10, 2024, the Hon'ble Regional Director, Southeast Region, Hyderabad approved the shifting of Registered Office of the Company from the State of Karnataka to the State of Maharashtra. The Registrar of Companies, Mumbai issued on June 26, 2024, a certificate of registration of Regional Director Order for change of State. Consequently, the Registered Office of the Company shifted to Sunshine Tower, Level 20, Senapati Bapat Marg, Elphinstone Road, Mumbai- 400013, Maharashtra, India."

11. CHANGE IN NATURE OF THE BUSINESS

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

12. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE BOARD'S REPORT

There are no material changes and commitments affecting the financial position of the Company, which has occurred between the end of the financial year of the Company i.e. 31 March, 2025 and the date of the Board's Report

13. SHARE CAPITAL

The Authorized Share Capital of the Company as on 31 March, 2025 was ₹ 2,71,50,00,000/- (Indian Rupees Two Hundred Seventy-One Crore and Fifty Lacs Only) divided into

a. 25,35,00,000 (Twenty-Five Crore Thirty-Five Lacs) Equity Shares of ₹ 10/- (Indian Rupees Ten Only) each aggregating to ₹ 25,35,000,000/-(Indian Rupees Two Hundred Fifty-Three Crore and Fifty Lacs only) and

b. 1,80,00,000 (One Crore Eighty Lacs) Preference Shares of face value of ₹ 10/- each aggregating to ₹ 18,00,00,000/- (Indian Rupees Eighteen Crores Only).

During the year under review, the Company has issued & allotted equity shares to Svatantra Microfin Private Limited, the holding company on Rights basis.

Name of Allottee	Date of allotment	No. of Shares	Face Value (₹)	Premium (₹)	Total Consideration (₹)
Svatantra Microfin Private Limited	16 December, 2024	2,20,73,333	10/-	70.15/-	1,76,91,77,640/-

Further, issued, subscribed and Paid-up Share Capital as on 31 March, 2025, is 17,97,39,999 Equity Shares of ₹ 10/- (Indian Rupees Ten Only) each aggregating to ₹ 1,79,73,99,990/- (Indian Rupees One Hundred and Seventy-Nine Crores Seventy-Three Lacs Ninety-Nine Thousand Nine Hundred and Ninety Only).

The entire Share Capital of the Company is held in dematerialized form.

14. ISSUE OF NON-CONVERTIBLE DEBENTURES (NCDS)

During the year under review, the Company has not issued any NCDs. Further, the Company has been regular in making payments of principal and interest on all the outstanding NCDs issued by the Company on a private placement basis and there are no principal repayments or interest payments that are unclaimed by investors or unpaid by the Company after the date on which the NCDs were redeemed, or interest has been paid.

15. CREDIT RATING & GRADING

Your directors draw the attention of the members to Note 48 to the Financial Statement which sets out credit rating disclosure.

During the Year Comprehensive Microfinance Grading (Institutional Gradings & Code of Conduct Assessment) assigned to the Company by (SMERA).

16. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In accordance with the applicable provisions of the Master Direction issued by the Reserve Bank of India, a detailed analysis of the Company's performance is discussed in the Management Discussion and Analysis Report, which forms part of the Annual Report as **Annexure III**.

17. DIRECTORS AND KEY MANAGERIAL PERSONNEL

(a) Composition of Board of Directors:

As on the date of this report, the Board of Directors comprised of Five (5) Directors, out of which two are Independent Directors, including one Women Independent Director. The details of the members are as follows

Sl. No	Name of the Director	Designation
1.	Ms. Ananyashree Birla	Chairperson
2.	Mr. Anand Rao	Managing Director
3.	Mr. Vineet Bijendra Chattree	Whole-Time Director
4.	Ms. Meena Jagtiani	Independent Director
5.	Mr. Natarajan Girija Shankar	Independent Director

The composition of the Board is in line with the requirements of the Act. The Directors possess vast knowledge, necessary experience, skills and ability in various functional areas relevant to the Company's business, which has aided / continues to aid in strengthening the policy decisions of the Company.

The details of the Board, its committees, areas of expertise of Directors and other details are available in the Report on Corporate Governance, which forms part of this Annual Report as **Annexure IV**.

The terms and conditions of appointment of Independent Directors are available on website of the Company at https://www.chaitanyaindia.in/wp-content/uploads/2024/02/Terms-and-Conditions.pdf.

(b) Changes in Key Managerial Personnel (KMP) during 2024-25:

The following were the KMP changes during the year under review:

Name	Date of Appointment/ Resignation	Nature of Change
Mr. Anup Kumar Gupta	13 May, 2024	Resigned from the post of Company Secretary & Compliance Officer
Mr. Neeraj Jain	16 May, 2024	Appointed as Company Secretary
Mr. Abhik Sarkar	28 February, 2025	Resigned from the post of Chief Financial Officer
Mr. Rakesh Yadav	24 March, 2025	Appointed as Chief Financial Officer

(c) Board Evaluation:

Pursuant to the provisions of the Companies Act, 2013, a separate exercise was carried out to evaluate the performance of Individual Directors including the Chairperson of the Board, who were evaluated on parameters such as level of engagement and contribution and independence of judgment to safeguard the interest of the Company

BOARD'S REPORT (Contd.)

and its minority shareholders. The reports were scrutinized by the Nomination & Remuneration Committee. The Directors expressed satisfaction with the evaluation process.

d) Key Managerial Personnel:

In terms of the provisions of Sections 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, following are the Key Managerial Personnel as on 31 March, 2025:

Sl. No	Name of the Key Managerial Personnel	Designation
1.	Mr. Vineet Bijendra Chattree	Whole Time Director
2.	Mr. Anand Rao	Managing Director
3.	Mr. Rakesh Yadav	Chief Financial Officer
4.	Mr. Neeraj Jain	Company Secretary & Compliance Officer

Mr. Anup Kumar Gupta resigned from the post of Company Secretary & Chief Compliance Officer from the close of business hours of 13 May, 2024, and Mr. Neeraj Jain was appointed as Company Secretary & Compliance Officer of the Company w.e.f. 16 May, 2024. Mr. Anand Rao was reappointed as Managing Director of the Company by the Board for a further term of three years with effect from 06 March, 2025 to 05 March, 2028. Further, Mr. Abhik Sarkar has resigned from the post of Chief Financial Officer from the close of business hours of 28 February, 2025, and Mr. Rakesh Yadav was appointed as Chief Financial Officer of the Company w.e.f. 24 March, 2025.

(e) Declaration by Independent Director:

Independent Directors of the Company have given declarations under Section 149(7) of the Act, that they meet the criteria of independence as laid down under Section 149(6) of the Act. The Independent Directors of the Company have undertaken requisite steps towards the inclusion of their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

In the opinion of the Board, Mr. Natarajan Girija Shankar and Ms. Meena Jagtiani, who were Independent Directors during the year under review, possesses requisite integrity, expertise, experience and proficiency which are relevant to the Company.

18. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134 (5) of the Companies Act, 2013, Board of Directors confirms that:

a. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and are prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

c. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. The Directors had prepared the annual accounts on a going concern basis;

e. The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

f. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws, and Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems were adequate and operating effectively.

19. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENT

The Company has put in place an effective internal financial control system, which is commensurate with its size, scale and complexity of operations. The Company

BOARD'S REPORT (Contd.)

has put in place policies and procedures with an objective of ensuring as far as practicable, the orderly and efficient conduct of business, safeguarding of assets, prevention and detection of errors and frauds, accuracy and completeness of the accounting records, and in preparation of reliable financial information. The Internal Financial Control are adequate and are operating effectively. The Company has used multiple accounting software for maintaining its books of account for the financial year ended 31 March, 2025, which has a feature of recording audit trail (edit log) facility and the same has been operating throughout the year for all relevant transactions recorded in the respective software except for certain fields and tables at application level for a software (Oracle).

20. REPORTING OF FRAUDS BY AUDITORS

During the year under review, no fraud has been reported neither by the Statutory Auditor nor the Secretarial Auditor to the Audit Committee, under Section 143(12) of the Companies Act, 2013 against the Company by its officer or employees.

21. PARTICULARS OF LOANS, GUARANTEES, AND INVESTMENTS

The Company has duly complied with the provisions of Section 186 of the Companies Act, 2013 and Rules thereunder details on loans, guarantees or investments made during the financial year are mentioned in the notes to the financial statements.

22. COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES.

In accordance with the provisions of Section 178 of the Companies Act, 2013 read with guidelines issued by Reserve Bank of India 2013 requires the Nomination and Remuneration Committee (NRC) to formulate a policy relating to the remuneration of the Directors, Senior Management / KMPs of the Company and recommend the same for approval of the Board. In this regard, the Company has a Nomination and Remuneration Committee consisting of the following Members:

Sr. No.	Name of Director	Designation
1.	Ms. Meena Jagtiani	Chairperson & Independent Director
2.	Ms. Ananyashree Birla	Non- Executive Director
3.	Mr. Natarajan Girija Shankar	Independent Director

Further, Section 134 of the Act stipulates that the Board's Report is required to include a statement on Company's Policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of director and remuneration for KMPs and other employees.

The Board of Directors has, based on the recommendation of the NRC of the Company, approved the policy on Directors' appointment and remuneration for Directors, KMP and other employees, which is available on the website of the Company at the given weblink: https://www.chaitanyaindia.in/policies/ :

The objectives of this Policy are as follows:

(a) to determine inter-alia, qualifications, positive attributes and independence of a Director;

(b) to guide on matters relating to appointment and removal of Directors and Senior Management;

(c) to lay down criteria / evaluate performance of the Directors; and

(d) to guide on determination of remuneration of the Directors, Senior Management / KMPs and other employees.

23. CORPORATE SOCIAL RESPONSIBILITY

In accordance with the provisions of Section 135 and Schedule VII of the Companies Act, 2013 read with rules made there under the Company have constituted a Corporate Social Responsibility (CSR) Committee, which comprises of the following Members:

Sr. No.	Name of Director	Designation
1.	Ms. Meena Jagtiani	Chairperson & Independent Director
2.	Mr. Vineet Bijendra Chattree	Whole Time Director
3.	Mr. Anand Rao	Managing Director

The CSR policy of the Company is available on the website of the Company – https://www.chaitanyaindia.in/policies/ A report on CSR activities of the Company pursuant to Section 134(3)(o) is enclosed herewith as **Annexure II**.

BOARD'S REPORT (Contd.)

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

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

Conservation of energy, Technology absorption:

The particulars as required under the provisions of Section 134(3)(m) of the Companies Act, 2013 read with rules framed thereunder in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the company during the year under review.

The Company has, however, used information technology extensively in its operations.

Foreign exchange earnings and Outgo:

The Company neither had any foreign exchange earnings nor any outgo during the year under review.

25. RISK MANAGEMENT POLICY

The Board of the Company has adopted the Risk Management Policy to assess, monitor and manage risk throughout the Company. Risk is an integral part of the Company's business, and sound risk management is critical to the success of the organization and policy provides a robust risk management framework to identify and assess various risks such as credit risk, market risk, operational risk, liquidity risk, regulatory risk and other risks. There is an adequate risk management infrastructure in place capable of addressing these risks.

26. INTERNAL AUDIT

The Company has in place an adequate internal audit framework to monitor the efficacy of internal controls with the objective of providing to the Audit Committee and the Board of Directors, an independent and reasonable assurance on the adequacy and effectiveness of the organization's risk management, internal control and governance processes. The framework is commensurate with the nature of the business, size, scale and complexity of its operations. The Risk based internal audit plan is approved by the Audit Committee, which regularly reviews compliance to the plan.

27. DETAILS OF ESTABLISHMENT OF WHISTLE BLOWER FOR DIRECTORS AND EMPLOYEES

The Company has adopted the Whistle Blower Policy with a view to provide a formal mechanism to the directors and employees of the Company to report their concerns about unethical behavior, actual or suspected fraud amongst others. The Policy provides for adequate safeguards against victimization of director(s)/employee(s) who avail of the mechanism and also provides direct access to the Chairman of the Audit Committee.

The Whistle Blower Policy is available on the Company's website at https://www.chaitanyaindia.in/policies/.

28. STATUTORY AUDITORS

The Members of the Company at the 15th Annual General Meeting ('AGM') have appointed M/s S.N Dhawan & CO LLP, Chartered Accountant (ICAI FRN: 000050N/N500045) as the Statutory Auditors of the Company for the period of 3 (three) consecutive years from the conclusion of the Annual General Meeting of the Company held on 30 September, 2024 until the conclusion of the Annual General Meeting of the Company to be held in the year 2027 subject to Statutory Auditors satisfying eligibility criteria as prescribed under RBI Guidelines every year at a remuneration to be fixed by the Board of Directors of the Company.

M/s S.N Dhawan & CO LLP, Chartered Accountants, Statutory Auditors of the Company have confirmed their eligibility under Section 141 of the Companies Act, 2013 to carry out the audit for 2024-25.

29. SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board in its meeting held on 12 February, 2025, has appointed M/s N S & Associates , Practicing Company Secretaries [Certificate of Practice No. 9312] as Secretarial Auditor of the Company for the Financial Year 2024-25 to undertake the Secretarial Audit. The Report of the Secretarial Auditor for the year ended 31 March, 2025, is annexed to the Board's Report as **Annexure I**.

There are no qualifications, reservations, adverse remarks or disclaimers in the Secretarial Audit Report issued by Secretarial Auditors for 2024-25.

BOARD'S REPORT (Contd.)

30. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the financial year under review, there were no material related party transactions entered into by the Company that were required to be disclosed in Form AOC-2. The details of the related party transactions are provided in the notes to the Annual Financial Statements.

The policy on Related Party Transactions as approved by the Board is hosted on website of the Company i.e. https://www.chaitanyaindia.in/policies/.

31. ANNUAL RETURN

Pursuant to Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the Annual Return as on 31 March, 2025, in Form MGT-7, is available on the Company's website and can be accessed at the weblink: https://www.chaitanyaindia.in/annual-return/.

32. CORPORATE GOVERNANCE

The Company strives to adopt and adhere to the highest standards of Corporate Governance principles and is fully committed to following sound corporate governance practices and uphold the highest business standards in conducting business. Accordingly, the Company has put in place various policies, systems and processes to achieve transparency, high levels of business ethics and compliance with applicable laws. The Board and other Sub Committee of Board ensure the high standards of transparency and accountability in all its activities and in discharging the Company's responsibilities towards all stakeholders and the community at large.

The Corporate Governance Report in the format as prescribed by Reserve Bank of India is attached with the Board's Report as **Annexure – IV**.

33. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the financial year ended on 31 March, 2025, 11 (Eleven) Meetings of the Board of Directors of the Company were held. The attendance of the Board of Directors in these meetings were as follows:

Sr. No.	No. of the Board Meeting	Date of the Board Meeting	No. of Directors Present
1.	01/2024-25	16 May, 2024	4
2.	02/2024-25	07 June, 2024	5
3.	03/2024-25	06 July, 2024	5
4.	04/2024-25	13 August, 2024	5
5.	05/2024-25	26 September, 2024	5
6.	06/2024-25	28 October, 2024	4
7.	07/2024-25	31 October, 2024	4
8.	08/2024-25	06 November, 2024	5
9.	09/2024-25	12 December, 2024	4
10.	10/2024-25	12 February, 2025	4
11.	11/2024-25	24 March, 2025	4

Sl. No.	Name of the Director	Number of Board Meetings		
		Held	Eligible to attend	Attended
1.	Ms. Ananyashree Birla	11	11	5
2.	Mr. Anand Rao	11	11	11
3.	Mr. Vineet Bijendra Chattree	11	11	11
4.	Mr. Natarajan Girija Shankar	11	11	11
5.	Ms. Meena Jagtiani	11	11	11

34. AUDIT COMMITTEE

In accordance with the provisions of Section 177 of the Companies Act, 2013 read with guidelines issued by Reserve Bank of India in this regard, the Company has an Audit Committee consisting of the following Members:

Sr. No.	Name of Director	Designation
1	Mr. Natarajan Girija Shankar	Chairperson & Independent Director
2	Ms. Meena Jagtiani	Independent Director
3	Ms. Ananyashree Birla	Non- Executive Director

The scope of the Audit Committee is in line with the provisions of the Companies Act, 2013 read with relevant RBI Guidelines and during the financial year all the recommendations made by the Audit Committee were accepted by the Board.

BOARD'S REPORT (Contd.)

35. OTHER COMMITTEES

The Board of Directors has also constituted the following Committees in accordance with the provisions of the Companies Act, 2013 and RBI Guidelines.

1. Risk Management Committee
2. Stakeholders Relationship Committee
3. IT Strategy Committee
4. Asset - Liability Management Committee
5. Customer Protection Committee
6. Finance Committee

36. MAINTENANCE OF COST RECORDS

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

37. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There are no significant or material orders passed by the regulators or courts or tribunals impacting the going concern status and operations of the Company in future.

38. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMAN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

Pursuant to the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has a policy and framework for employees to report sexual harassment cases at workplace and our process ensures complete anonymity and confidentiality of information. Adequate workshops and awareness programs against sexual harassment are conducted across the organization.

Further, the Company has the Internal Complaint Committee in place as per the requirement of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 to address the sexual harassment cases and –

- number of complaints of sexual harassment received in the year - NIL
- number of complaints disposed off during the year - NIL
- number of cases pending for more than ninety days - NIL

39. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company is in compliance with the relevant Secretarial Standards issued by Institute of Company Secretaries of India (ICSI) and notified by Ministry of Corporate Affairs.

40. PARTICULARS OF MANAGERIAL REMUNERATION

The Disclosures pertaining to remuneration and other details, as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company as the Company is not a listed Company under the Companies Act, 2013.

41. RBI OMBUDSMAN

The company has a dedicated team which deals with the concerns or complaints raised by the customers. Further, in accordance with the RBI Circular dated 15 November, 2021, on "Appointment of Internal Ombudsman by Non-Banking Financial Companies (NBFCs)", as amended, the Company has an Internal Ombudsman (IO) being the apex of the grievance redressal mechanism of the Company. The IO deals with the complaints of its customers which are partly or wholly rejected by the Company.

42. CUSTOMER GRIEVANCES

The Company has a dedicated Customer Grievance team for receiving and handling customer complaints/grievances and ensuring that the customers are treated fairly and without any bias at all times. All issues raised by the customers are dealt with courtesy and redressed expeditiously.

43. FAIR PRACTICE CODE

The Company has in place a Fair Practice Code (FPC) approved by the Board in compliance with the guidelines issued by RBI, to ensure better service and provide necessary information to customers to take informed decisions. The FPC is available on the website of the Company at https://www.chaitanyaindia.in/policies/

44. CODE OF CONDUCT FOR INSIDER TRADING

The Company has put in place a Code of Conduct and Fair Disclosure for Prohibition of Insider Trading for its designated persons in compliance with SEBI (Prohibition of Insider Trading) Regulations 2015. This Code is to regulate, monitor and report the trading in the Company's securities by the designated persons of the Company. The Code of Conduct for Prohibition of Insider Trading is available on the website of the Company at https://www.chaitanyaindia.in/policies/

45. OTHER DISCLOSURES

(a) Details of Frauds reported by the Statutory Auditors under Section 143(12) of the Companies Act, 2013 during the Financial Year:

During the year under review, no frauds were reported by the Statutory Auditors, requiring intimation under Section 143(12) of the Companies Act, 2013, for the Company and therefore no details are required to be disclosed under Section 134(3) (ca) of the Companies Act, 2013.

(b) Sweat Equity Shares issued during the Year:

The Company has not issued any Sweat Equity Shares during the Financial Year under review.

(c) There has not been any revision in the financial statements.

(d) The Company, in the capacity of Financial Creditor, has not filed any applications with the Hon'ble National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016 during the financial year under review for recovery of outstanding loans against any customer being Corporate Debtor.

(e) The 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 is not applicable.

(f) The company is in compliance with the provisions relating to the Maternity Benefit Act, 1961.

46. ACKNOWLEDGMENT

Your directors take this opportunity to offer sincere thanks to the Regulators, Bankers, Investors Government Authorities, MFIN, Customers, Vendors and other stakeholders for their unstinted support and assistance received from them during the year. The Directors would also like to place on record their appreciation of the dedicated efforts put in by the employees of the Company.

For Chaitanya India Fin Credit Private Limited

Sd/-
Ananyashree Birla
Chairperson
DIN: 06625036

Date: 11 August, 2025
Place: Mumbai

ANNEXURE- I

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31 March, 2025

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
Chaitanya India Fin Credit Private Limited
Sunshine Tower, Level 20, Senapati Bapat Marg,
Elphinstone Road, Mumbai- 400013, Maharashtra, India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Chaitanya India Fin Credit Private Limited** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

AUDITOR'S RESPONSIBILITY:

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards requires that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31 March, 2025 (hereinafter called the 'audit period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the financial year ended on 31 March, 2025 according to the provisions of:

(i) The Companies Act, 2013 ('**the Act**') and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of External Commercial Borrowings **(Foreign Direct Investment and Overseas Direct Investment is Not Applicable to the Company during the audit period)**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not Applicable to the Company during the audit period)**

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable to the Company during the audit period)**

(d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not Applicable to the Company during the audit period)**

(e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; ('ILNCS Regulation') **(Not Applicable to the Company during the audit period)**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not Applicable to the Company during the audit period)** and

(h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018. (Not Applicable to the Company during the audit period)

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereunder, to the extent applicable to the Company.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards etc. mentioned above.

We further report that, having regard to the compliance system prevailing in the Company and on the examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following law applicable specifically to the Company:

Reserve Bank of India Master Direction/ Guidelines, as applicable to Non-Banking Financial Companies, including the following:

1. The Reserve Bank of India Act, 1934.
2. Master Direction – Reserve Bank of India (Non-Banking Financial Company- Scale Based Regulation) Directions, 2023, as amended.
3. Master Direction - Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016.
4. Master Direction – Reserve Bank of India (Regulatory Framework for Microfinance Loans) Directions, 2022.
5. Master Circular – Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015 and

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the audit period were carried out in compliance with the provisions of the Act and Listing Regulations.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance (the Company has complied with proviso to Section 173(3) of the Act where meeting was convened at a shorter notice) and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. The adequacy and efficacy shall read in context of reporting as specified in the report.

We further report that, during the audit period the Company:

1. Altered the Memorandum of Association of the Company relating to the situation of registered office of the Company from Bengaluru, Karnataka to Mumbai, Maharashtra. A Certificate of Registration of Regional Director order for Change of State dated 26 June, 2024 has been issued by the Registrar of Companies (ROC), Mumbai.
2. Issued and allotted 2,20,73,333 equity shares of ₹ 10/- each for cash at a premium of ₹ 70.15/- per equity share fully paid-up amounting to ₹ 1,76,91,77,640/- to Svatantra Microfin Private Limited, the Holding Company on Rights basis.

ANNEXURE- I (Contd.)

3. Approved the proposed Scheme of Amalgamation between Svatantra Holdings Private Limited ("First Transferor Company"), Chaitanya India Fin Credit Private Limited ("Second Transferor Company") and Svatantra Microfin Private Limited ("Transferee Company") vide Board Resolution passed on 06 November, 2024.
4. Reedemed 500 (Five Hundred) unlisted, secured, rated Non-Convertible Debentures having face value of ₹ 10,00,000/- (Rupees Ten Lakhs) each aggregating to ₹ 50,00,00,000 (Rupees Fifty Crores only)

For N S & Associates
Company Secretaries

Sd/-
Nagendra Chauhan
Proprietor
FCS: 8307
CP: 9312
PR: 6480/2025
UDIN: F008307G000893213

Date: 30 July, 2025
Place: Delhi

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

ANNEXURE- I (Contd.)

Annexure A

To,
The Members
Chaitanya India Fin Credit Private Limited
Sunshine Tower, Level 20, Senapati Bapat Marg, Elphinstone
Road, Mumbai- 400013, Maharashtra, India

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices that we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company. Further compliance of direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this Audit.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test check basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For N S & Associates
Company Secretaries

Sd/-
Nagendra Chauhan
Proprietor
FCS: 8307
CP: 9312
PR: 6480/2025
UDIN: F008307G000893213

Date: 30 July, 2025
Place: Delhi

ANNEXURE - II

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILTY ACTIVITIES

(Pursuant to Section 135 of the Companies Act 2013, read with Rule 8 of Companies (CSR Policy) Rules, 2014)

1. BRIEF OUTLINE OF THE COMPANY'S CSR POLICY:

The Corporate Social Responsibility ('CSR') policy of Chaitanya India Fin Credit Private Limited (hereby referred to as Company) is formulated in accordance with the provisions laid under Section 135 of the Companies Act 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 (hereby collectively referred to as the 'Act') notified by the Ministry of Corporate Affairs.

2. CSR ACTIVITIES FOR THE FINANCIAL YEAR 2024-25:

In the Financial Year 2024-25, the Company has demonstrated a strong commitment to corporate social responsibility through diverse and impactful initiatives across India. These projects not only address immediate community needs but also contribute to long-term sustainable development in education, environmental conservation, mental health and well-being and disaster relief. The following are some of the notable activities undertaken:

The following are some of the activities undertaken:

a) Afforestation Maintenance: Chaitanya has undertaken an afforestation project using the Miyawaki method on a 1000 square meter area at the Doddabommanahalli High School in Jagalur, Davangere district. Initiated in July 2023, the project involved soil treatment, fencing, and irrigation setup before beginning plantation in November 2023. The school's staff, alongside students and community members, are actively engaged in the project's ongoing maintenance has continued in 2024-25.

b) GrowTree Project: We initiated the GrowTree project for the implementation of a forest to help improve wildlife in 2024-25. In the employee's name, we have put the plants in a specific area of Maharashtra state. We have supported and implemented around 6500 plants.

c) Educational Initiatives through Learning Centers: Continued the same project for 2024-25. In collaboration with CLE Trust, Chaitanya has established 10 learning centers in Palamu district of Jharkhand, to enhance children's rural education in English, Maths. These centers began operations in August 2023, providing both offline and online classes after regular school hours. With 441 students enrolled, the initiative has conducted a substantial number of classes, supported by regular teacher training and performance evaluations.

d) Health Programs: Chaitanya has partnered with HelpAge India to implement health-related initiatives. This includes operating a Mobile Health Unit (MHU) in Gaya, Bihar, covering ten locations until November 2024, and we provided walking sticks in Karnataka for 66 beneficiaries.

e) Disaster Management Response: In response to natural disasters in 2024-25, Chaitanya has provided substantial aid in various affected regions across Karnataka, Maharashtra, Madhya Pradesh and Bihar states. Efforts included the distribution of essential grocery kits for a total of 2048 families impacted by floods.

f) Provision of Basic Amenities: Water Purifier: Chaitanya has significantly contributed to improving water quality by installing 81 water purifiers in schools and other vital locations across 71 districts at the national level. This initiative prioritizes schools, covering 80% of the installations, to ensure safe drinking water for children and staff.

g) Skill Development Training: We started the skill development training program in 2024-25, to help the women by providing the training and to enable interested women to earn a regular income in their homes through doing food item preparation activities. From that perspective, we have conducted 163 trainings and covered 1784 women from 146 villages in Chitradurga and Davanagere districts of Karnataka state. As its result, a total of 16 women participation is there effectively participating in doing the activities and earning a regular income.

ANNEXURE - II (Contd.)

3. THE COMPOSITION OF THE CSR COMMITTEE:

The Corporate Social Responsibility Committee (CSR Committee) of the Board of Directors (Board) of the Company comprises the Directors as indicated below:

S No.	Name of the Director	Designation and Position in the Committee	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Ms. Meena Jagtiani	Independent Director, Chairperson	4	4
2.	Mr. Anand Rao	Managing Director, Member	4	4
3.	Mr. Vineet Bijendra Chattree	Whole-Time Director, Member	4	4

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

- Composition of CSR committee weblink: https://www.chaitanyaindia.in/committees-of-board/
- CSR Policy weblink: https://www.chaitanyaindia.in/policies/
- CSR Projects : https://www.chaitanyaindia.in/csr-activities/

5. Executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

Impact Assessment is not applicable to the Company.

6. a) Average net profit of the company as per section 135(5)

The average net profit of the Company for the three immediately preceding financial year amounts to ₹ 2,17,38,18,650/- (Indian Rupees Two Hundred Seventeen Crores and Thirty-Eight Lacs Eighteen Thousand Six Hundred and Fifty Only).

b) Two percent of average net profit of the company as per section 135(5)

Two percent of average net profit of the company amounts to ₹ 4,34,76,373/- (Indian Rupees Four Crores Thirty-Four Lacs Seventy-Six Thousand Three Hundred and Seventy-Three only)

c) Surplus arising out of the CSR projects or programs 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)]: ₹ 4,34,76,373/-

7. a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 4,32,21,718/- (Indian Rupees Four Crore Thirty-Two Lacs Twenty-One Thousand Seven Hundred Eighteen Only)

b) Amount spent in administrative overheads: ₹ 3,00,264/- (Indian Rupees Three Lacs Two Hundred Sixty-Four only)

c) Amount spent on Impact Assessment, if applicable: Nil

d) Total amount spent for the Financial Year [(a)+(b) +(c)] ₹ 4,35,21,982/- (India Rupees Four Crore Thirty-Five Lacs Twenty-One Thousand and Nine Hundred Eighty-Two only)

e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (In ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of Section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
3,21,18,724	1,14,03,258	25 April, 2025	-	-	-

ANNEXURE - II (Contd.)

(f) Excess amount for set-off, if any: Not Applicable

Sl. No.	Particular	Amount (in ₹)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	-
(ii)	Total amount spent for the Financial Year	-
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous Financial Years, if any	-
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	-

8. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years: Not applicable

1	2	3	4	5	6	7	8
S. No	Preceding Financial Year	Amount transferred to Unspent CSR Account under Sub-Section (6) of Section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of Section 135 (in ₹)	Amount Unspent in the Financial Year (in ₹)	Amount transferred to Fund as specified under Schedule VII as per second proviso to sub-section (5) of Section 135, if any	Amount remaining to be spent in succeeding Financial Year (in ₹)	Deficiency, if any
-	-	-	-	-	-	-	-

9. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

○ Yes ● No

If Yes, enter the number of Capital assets created/ acquired

Details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
-	-	-	-	-	-	-	-

ANNEXURE - II (Contd.)

10. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135.:

The Company has approved CSR expenditure of ₹ 4,34,76,373/- (i.e. two percent of the average net profit of the last three financial years) for the financial year 2024-25 and out of the same, it made CSR expenditure of ₹ 3,21,18,724/- in the 2024-25.

Further the CSR Committee during the financial year 2024-25 identified few ongoing projects for CSR to be undertaken during the course of next three Financial Years and accordingly transferred ₹ 1,14,03,258/- to the Unspent CSR account of the Company.

By the order of the Board
For Chaitanya India Fin Credit Private Limited

Sd/-
Meena Jagtiani
Chairperson, CSR Committee
Independent Director
DIN: 08396893

Sd/-
Anand Rao
Managing Director
DIN: 01713987

Date: 11 August, 2025
Place: Mumbai

ANNEXURE – III

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ECONOMIC OVERVIEW & OUTLOOK

The Indian economy has remained resilient during the financial year 2025 amidst ongoing global uncertainties including geopolitical uncertainties and trade tensions. As per the second advanced estimates of National Statistics Office (NSO), the real GDP is estimated to grow by 6.5% in 2024-25 while nominal GDP is expected to grow by 9.8% in 2024-25.

The country's relatively more stable growth is supported by private consumption, especially in rural areas, and strong macroeconomic fundamentals. According to NSO data, Private Final Consumption Expenditure (PFCE) is expected to register a growth of 7.6% in 2024-25 as compared to 5.6% during previous year (Source – NSO). Rural economy continued to be strong with rural demand remaining healthy. Rural areas have experienced a notable rise in consumer spending, with per capita expenditure growing by 9.2% in 2025, surpassing the 8.3% growth observed in urban regions.

India's economy is set to experience buoyancy owing to continued healthy private consumption and improved capital expenditure from the government. Along with these, factors such as positive momentum in agricultural activity, and continued resilience in services sector among others will also contribute towards stable growth trajectory. However, uncertainties in global trade, strained geopolitical relationships, and volatile global financial conditions continue to cast a shadow. The Reserve Bank of India (RBI) in its April 2025 Monetary Policy Statement has projected the GDP growth to be 6.5% in 2025- 26. International Monetary Fund (IMF) projects India to remain the fastest growing large economy in the world in 2026 as well with continued optimism from consumers and businesses regarding the economic outlook (Source - RBI).

The Regulatory framework on Microfinance loan was announced by Reserve Bank of India on 14th March 2022 vide RBI Circular no. RBI/DOR/2021-22/89/DoR.FIN.REC.95/03.10.038/ 2021-22 read with Master Direction on Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated 19 October, 2023, including any amendments thereto. The Regulatory framework on microfinance loan came subsequent to the Consultative Document released by the RBI in June 2021 with the purpose to harmonize the guidelines for microfinance loans. The regulation is applicable to all regulated entities and has created a level playing field, which will encourage healthy competition and challenge regulated entities to innovate and become more efficient, and in the process protect and benefit the clients while furthering the achievement of financial inclusion.

The 'Regulatory Framework for Microfinance Loans, 2022' also helps the NBFC-MFIs to price the risk adequately and enhance the product diversification thereby improve their capability to offer bouquet of products to lower income segment borrowers through their reach in the deeper rural parts of the country.

MICROFINANCE IN INDIA

A. Industry highlights:

Microfinance was once about capital access while today it's about trust, dignity, and transformation. In the last two decades, MFIs have moved from a footnote to a frontline player in India's financial inclusion story by empowering underserved segments across India. The impact of microfinance on financial inclusion can be determined by the fact that 7.8 Crores women are given access to capital through easily serviceable & collateral free loans. As of 31 March, 2025, Microfinance operations are present in 718 districts across 29 states and 7 union territories (UT). As a result, a vast unbanked and unserved population of India today has access to formal credit even in the remotest districts of India.

The microfinance sector in India has shown tremendous growth with a CAGR of over 18% over the past six years, with the total loan portfolio outstanding for industry standing at ₹ 3,75,030 Crores as of 31 March, 2025. According to a report by Avendus Capital, the microfinance industry is expected to grow at a 15 per cent plus CAGR, with total loan portfolio outstanding reaching ₹ 10 Lacs Crores, over the next 5-6 years.

While 2024-25 was marked by multiple challenges due to customer over-leveraging, macro-economic headwinds and evolving regulatory norms, MFIs remained steadfast in their business operations delivering inclusive growth at the grassroots level. Throughout this period, Self-Regulatory Organizations (SROs) served as key enablers, guiding the industry and leading structured rollout of MFIN Guardrails 1.0 and 2.0, ensuring a pragmatic balance between operational resilience and responsible lending practices.

Notwithstanding the near-term setbacks, MFI industry is poised for sustainable growth and advancing financial inclusion at the grassroot level.

B. NBFC- MFIs

Growth in the microfinance sector has been led by NBFC-MFIs, holding the largest market share with 39% contribution, followed by banks (33% share) and SFBs (16% share), as of 31 March, 2025. According to Microfinance Institutions Network (MFIN) Report, which is based on data collected from 48 out of 52 NBFC–MFI members, 4.2 Crores clients have loan outstanding from NBFC-MFIs with the Asset Under Management (AUM) at ₹ 1,47,279 Crores as on 31 March, 2025. The owned portfolio constitutes about 81.0% of the NBFC-MFI universe portfolio. The loan amount of ₹ 1,12,459 Crores was disbursed in 2024-25 through 2.2 Crores accounts, including disbursement of owned as well as managed portfolio. The average loan amount disbursed per account during 2024-25 was ₹ 50,131/- which is an increase of around 12.3% in comparison to the last financial year, highlighting increasing appetite and social upliftment.

NBFC-MFIs today benefits from a significantly strong funding ecosystem, with institutions increasingly able to tap into a broad and diversified pool of capital. Mainstream banks, development finance institutions, impact investors and capital markets have deepened their engagement with NBFC-MFIs. As on 31 March, 2025, the borrowings outstanding of NBFC-MFI were ₹ 1,02,503 Crores. Banks contributed 58.3% of borrowings O/s followed by 18.0% from non-bank entity, 10.3% from External Commercial Borrowings (ECB), 9.1% from AIFIs and 4.4% from other sources. During 2024-25, NBFC-MFIs received a total of ₹ 57,307 Crores in debt funding, which is 35.7% decrease from 2023-24. Banks contributed 78.4% of the total Borrowing received followed by non-bank entities 11.9%, ECB 5.1%, AIFIs 3.1% and Others 1.5%.

C. Distribution of NBFC-MFIs:

NBFC-MFIs have a strong presence in 26 states and 6 union territories. In terms of regional distribution of portfolio (AUM), East and North-East account for 33% of the total NBFC-MFI portfolio, South 28%, North 17%, West 14%, and Central contributes 9%. Bihar, Uttar Pradesh, Tamil Nadu, Karnataka and Maharashtra are the largest states in terms of Loan outstanding and represent 58% of the AUM. The top 10 States account for 85% of the total industry loan amount outstanding.

As on 31 March, 2025, amongst 48 MFIN member NBFC-MFIs, 23 are small (AUM < ₹ 500 Crores), 10 are medium (AUM >= ₹ 500 and < 2,000 Crores) and 15 large (AUM >= ₹ 2,000 Crores). 15 Large NBFC MFIs account for 91% of Asset under management (AUM) with about 91% of the Loan amount disbursed.

COMPANY OVERVIEW

Chaitanya India Fin Credit Private Limited (CIFCPL), a wholly owned subsidiary Company of Svatantra Microfin Private Limited (SMPL) is a registered NBFC–MFI promoted as a new age microfinance entity leveraging technology to create transgenerational impact in the lives of the underserved segment of India.

Chaitanya has seen a healthy portfolio growth of 13% Y-o-Y with 94.85% Collection efficiency in March-2025, Client base has grown by 6% Y-o-Y and overall PAR 30-180 slightly increased to 3.14% in March 2025 as compared to 0.48% in March 2024, PAR 90 -180 increased to 1.51% in March 2025, from 0.25% in March 2024. Chaitanya is currently operating in 15 states and has 18.40 Lacs customer base as of March 2025.

The cost of borrowing (COB) and the marginal cost of borrowings are shown below:

As on Month	COB	Marginal COB
Jun-24	10.62%	9.56%
Sep-24	10.68%	9.50%
Dec-24	10.57%	9.34%
Mar-25	10.38%	9.22%

CIFCPL unwavering commitment to responsible lending has been a driving force behind its phenomenal growth. The vision behind the initiative is that financially independent and self-sufficient households will fuel India's economic growth. The Company offers tailored and accessible credit solutions, catalyzing the entrepreneurial aspirations of Indians. The Company aims to harness the power of digital technology to lend efficiently and prudently and aspire to deliver responsible and sustainable financial solutions to build a more prosperous India. The Company's responsibilities extend beyond financial support to educating clients on financial literacy.

During the year under review the Board of Directors of the Company, SMPL, the Holding Company and Svatantra Holdings Private Limited (SHPL) at their meeting held on 06 November, 2024, approved a scheme of amalgamation between Svatantra Holdings Private Limited ("First Transferor Company") and Chaitanya India Fin Credit Private Limited ("Second Transferor Company") (Together Referred To As "Transferor Companies") and Svatantra Microfin Private Limited ("Transferee Company") and their respective shareholders.

The proposed amalgamation will be subject to regulatory and other approval as may be required. The key rationale for the scheme is:

1. Simplification of the group structure. Further, pursuant to the Scheme Svatantra Micro Housing Finance Corporation Limited will become a direct wholly owned subsidiary of the Transferee Company;
2. Focused strategy for geographical diversification, coverage of complementary markets & deeper market penetration;

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Contd.)

3. Enabling creation of a well-diversified borrowing book with improvement in portfolio quality and cost efficiencies thereby providing potential and ability to reprice liabilities in the combined entity;
4. Avoidance of duplication of administrative functions, reduction in multiplicity of legal and regulatory compliances and cost; and
5. Access to a large client base and availability of increased resources, expertise and assets in the Transferee Company can be utilized for further strengthening the customer experience.

The Company has demonstrated the success and scalability of its business model by providing micro-credit to women borrowers across 15 states. The active customer base of the Company is around 18.40 Lacs as on 31 March, 2025. As per the financial as on 31 March, 2025, the total income of the Company was ₹ 1,562.18 Crores with a Profit after tax (PAT) of ₹ 255.76 Crores. The Company has been rated CRISIL AA- (Stable) or its borrowings and for Non-Convertible Debentures issued. As of 31 March, 2025, the Company's total Capital to Risk Asset Ratio stood at 23.55% out of which Tier I capital adequacy ratio as on 31 March, 2025, stood at 20.77% and Tier II capital adequacy ratio as on 31 March, 2025, stood at 2.78%. Accordingly, it is well above the regulatory minimum of 15%. During the financial year 2024-25, the Company has JLG loans disbursed amounting to ₹ 6966.63 Crores with the network of 1038 Branches across 15 States. The Company's Gross Loan Portfolio as on 31 March, 2025 is ₹ 7,592.75 Crores.

As on 31 March, 2025, the total AUM of the Company is ₹ 7593 Crores and total share capital and the Net-worth was ₹ 179.74 Crores and ₹ 1527.64 Crores respectively.

Competitive Strengths and Key strategies

A: Building a diversified pan-India presence and cementing market leadership

The top five states on combined basis account 87% of the AUM as on 31 March, 2025.

KEY STATES	CIFCPL (% AUM)	Markets share on standalone basis (%)
KARNATAKA	27%	5.7%
UTTAR PRADESH	22%	3.9%
BIHAR	21%	2.7%
MAHARASHTRA	12%	3.1%
JHARKHAND	5%	3.6%

The diversified portfolio not only provides larger reach but also aid Company to manage the concentration risk. The Company has a robust risk management framework and one of the key parameters includes limiting its exposure to a district as well as at village level.

B: Customer centricity at our core

The products and policies of the Company remain customer centric. The Company provides loans to deep rural borrowers. The company was amongst the first NBFC-MFI which made cashless disbursements since its inception in 2013 to further the cause of financial inclusion. Further the Company has a unique customer-based App to provide real time connection and transparency of loan related information. The Company while disbursing loans at doorstep to ensure that the training to borrower and her household is conducted detailing the product, repayment schedules, regulatory and legal aspects and apprising them about their rights and grievance mechanism.

The Company has adopted customer grievance redressal mechanism (CGRM) which has deployed a unique IT platform to capture customer queries and complaints, provide timely and comprehensive redressal and help companies to create analytics to constantly learn and improve its processes.

C: Tech-led operational precision

Robust processes and operational rigor act as key differentiators for the Company. The Company follows a data driven analytical approach for gathering Early Warning Signals (EWS), enabling timely risk mitigation. Operations are further strengthened by daily control tower with centralized analytical support and empowering field teams with real time data and digital tools. Our risk assessment starts with pin code level and mitigation efforts are further complemented by a dedicated collections team for collections.

We have strategically integrated technology into our operations to streamline processes and drive efficiency. However, we also recognize the importance of maintaining a personal touch with our customers. That is why our approach always centers on a carefully balanced strategy, such as leveraging digital innovation while retaining the essential human element. This commitment ensures that technology serves as an enabler of growth, rather than a barrier to access and understanding.

D: Building a field driven and people led organization

We at Chaitanya India Fin Credit Private Limited are committed to fostering a collaborative, transparent and participatory organizational culture. Our Human Resource Management is focused on helping our employees to advance in their careers and enhance their talents. The primary goal was to ensure successful employee engagement, well-being and long-term motivation levels in the new hybrid work paradigm.

The Company has a robust organization structure wherein 11,247 employees are engaged as on 31 March, 2025 across a network of 1038 Branches in 15 States.

The Company as a policy recruits freshers as field officers, rural youth, and provides them with one month of structured (classroom + field) training. Further the Company is an equal opportunity employer with a meritocratic culture, and it endeavors that first preference towards promotion is provided to existing employees. The Company not only offers best of employee benefits such as Medical, Accident and Life insurance but also is first in the industry to support employees towards mental health, menstrual leave amongst others.

OUTLOOK FOR 2025-26

Based on Asset Under Management (AUM), the Company along with SMPL, the Holding Company is the second largest NBFC-MFI in India. In 2024-25, while the industry faced multiple headwinds due to customer overleveraging, regional dynamics and evolving regulatory guardrails, we delivered industry leading performance driven by strong portfolio quality and operational rigor. For 2024-26, our focus is to continue delivering industry leading performance on the back of driving productivity growth to expand our market share, building operational excellence to navigate any external volatility and leveraging analytical and tech led capabilities for proactively identifying and responding to micro-market risks with speed and agility.

RISK AND CONCERNS

The Company, being in microfinance sector, remains exposed to various risks such as credit risk, economic risk, interest rate risk, liquidity risk, cash management risk, technology risks and other idiosyncratic risks. The Company has robust enterprise risk management framework (ERM) that involves risk identification, risk assessment, and risk mitigation planning. The Company has adopted all four key pillars of governance: Risk Officer, Internal Audit, IT risk, and Secretarial and Compliance. The robust ERM framework, combined with Risk Based Audit conducted by a large pan India team and state of art technology and business analytics team helps company to proactive identify, manage and mitigate risks.

The Company has put in place adequate checks by complying with the regulations framed by RBI which are applicable to the Company.

The Board of Directors has constituted a Risk Management Committee. The terms of reference of the Risk Management Committee include a periodical review of the risk management policy, risk management plan, implementing and monitoring the risk management plan, and mitigation of the key risks. The Risk owners are accountable to the Risk Committee for identifying, assessing, aggregating, reporting, and monitoring the risk related to their respective areas/functions. The Company has taken Directors and Officers insurance policy cover to mitigate legal risks to Directors and senior management.

The Company is regulated by Reserve Bank of India which has stipulated certain regulations to be followed by every NBFC-MFI.

FUNDING TRENDS

Company is amongst the highest rated NBFC-MFI and has been able to garner confidence from its lenders, mix of public sector and private sector banks, NBFC and DFIs to obtain most cost-efficient support to serve its customers. Further the Company has a good mix of liabilities in the form of term loans, NCDs, ECBs and others.

The outstanding borrowing Funding as on 31 March, 2025 is as under:

Particulars	Number of Lenders	31 March, 2025 (In ₹ Crores)
Public Sector banks	5	742.66
Private Sector Banks	15	2171.91
DFI/ NBFCs	6	638.00
MNCs	5	1249.63
NCDs/ ECBs	7	449.72
Total		**5291.92**
Securitization / Direct assignment (sold portion)	14	1066.22

INTERNAL CONTROL AND ITS ADEQUACY

The Company believes that a strong internal control system and process play a crucial role in the health of the Company. The Company's well-defined organizational structure, documented policy guidelines, defined authority matrix and internal controls ensure efficiency of operations, compliance with internal policies and applicable laws and regulations as well as protection of resources. Moreover, the Company continuously upgrades these processes and systems in line with the best available practices. The internal control system is supplemented by extensive internal audits, regular reviews by the management and standard policies and guidelines which ensure reliability of financial and all other records. The Internal Audit reports are periodically reviewed by the Audit Committee.

At Chaitanya, the internal control procedures include internal financial controls, ensuring compliance with various policies, practices and statutes considering the organization's growth and complexity of operations. The framework constantly monitors and assesses all aspects of risks associated with current activities and corporate profile, including scientific and development risks, partner interest risks, commercial and financial risks.

For Chaitanya India Fin Credit Private Limited

Sd/-
Ananyashree Birla
Chairperson
DIN: 06625036

Date: 11 August, 2025
Place: Mumbai

ANNEXURE - IV

CORPORATE GOVERNANCE REPORT

The following disclosures in the Corporate Governance Report for the Financial Year 2024-25 is in pursuance to the Master Direction– Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 bearing reference number DoR.FIN.REC. No.45/03.10.119/2023-24 dated 19 October, 2023

1. COMPOSITION OF THE BOARD

Sr. No.	Name of Director	Director since	Capacity (i.e. Executive/ Non- Executive/ Chairman/ Promoter nominee/ Independent)	DIN	Number of Board Meetings		No. of other Director ships**	Remuneration			No. of shares held in and convertible instruments held in the Company
					Held	Attended		Salary and other compensation	Sitting Fee (In ₹)	Commission (In ₹)	
1	Ms. Ananyashree Birla	23 November, 2023	Chairperson & Non-Executive Director	06625036	11	05	12	Nil	Nil	Nil	10*
2	Mr. Anand Rao	31 March, 2009	Managing Director	01713987	11	11	0	2,64,87,223	Nil	Nil	Nil
3	Mr. Vineet Bijendra Chattree	23 November, 2023	Whole Time Director	07962531	11	11	1	Nil	Nil	Nil	Nil
4	Mr. Natarajan Girija Shankar	08 December, 2023	Independent Director	07960781	11	11	2	Nil	8,65,000	Nil	Nil
5	Ms. Meena Jagtiani	08 December, 2023	Independent Director	08396893	11	11	6	Nil	7,90,000	Nil	Nil

* Ms. Ananyashree Birla holding shares as nominee of Svatantra Microfin Private Limited, the Holding Company.
**No. of other directorship includes Private/ Public and Section 8 Companies and none of the directors hold directorship in more than 10 public companies

Details of change in composition of the Board during the current and previous financial year:

Sl. No	Name of Director	Capacity (i.e. Executive / non-executive/ Chairman/ Promoter/ Nominee/ Independent)	Nature of change (Resignation, Appointment)	Effective Date
1.	Mr. Sachin Bansal	Executive Director	Resignation	23 November, 2023
2.	Mr. Ankit Agarwal	Executive Director	Resignation	23 November, 2023
3.	Mr. Samit Shankar Shetty	Nominee Director	Resignation	23 November, 2023
4.	Ms. Usha A Narayanan	Independent Director	Resignation	23 November, 2023
5.	Mr. Ranganathan Sridharan	Independent Director	Resignation	23 November, 2023
6.	Ms. Ananyashree Birla	Non-Executive Director	Appointment	23 November, 2023
7.	Mr. Vineet Bijendra Chattree	Executive Director	Appointment	23 November, 2023
8.	Mr. Natarajan Girija Shankar	Independent Director	Appointment	08 December, 2023
9.	Ms. Meena Jagtiani	Independent Director	Appointment	08 December, 2023

Note: There is no inter-se relation among the Directors of the Company.

2. COMMITTEES OF THE BOARD AND THEIR COMPOSITION

The Board of directors have also constituted the following Committees in accordance with the provisions of the Companies Act 2013, as amended and RBI Guidelines:

1. Audit Committee
2. Nomination & Remuneration Committee
3. Corporate Social Responsibility Committee

CORPORATE GOVERNANCE REPORT (Contd.)

4. Asset and Liability Management Committee
5. Risk Management Committee
6. Information Technology Strategy Committee
7. Stakeholder Relationship Committee
8. Customer Protection Committee
9. Finance Committee

The Board has constituted sub-committees to focus on specific areas and make informed decisions within the authority delegated to each of the Committees. Each Committee of the Board is guided by its Charter, which defines the scope, powers and its composition.

The Company Secretary acts as a secretary to all the Committees of the Board. Detailed terms of reference, composition, meetings and other information of each of the Committees of the Board are detailed herein below:

AUDIT COMMITTEE

Name of the Director	Member of Committee since	Capacity (i.e. Executive / non-executive/ Chairman/ Promoter/ Nominee/ Independent)	Number of Meetings of the Committee		No of Shares held in NBFC
			Held	Attended	
Mr. Natarajan Girija Shankar	08 December, 2023	Chairman, Independent Director	8	8	-
Ms. Meena Jagtiani	08 December, 2023	Independent Director	8	8	-
Ms. Ananyashree Birla	08 December, 2023	Non-Executive Director	8	1	10*

*Holding on behalf of Svatantra Microfin Private Limited, the Holding Company.

Terms of Reference of the Audit Committee includes:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
    a) matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
    b) changes, if any, in accounting policies and practices and reasons for the same;
    c) major accounting entries involving estimates based on the exercise of judgment by management;
    d) significant adjustments made in the financial statements arising out of audit findings;
    e) compliance with legal requirements relating to financial statements;
    f) disclosure of any related party transactions;
    g) modified opinion(s) in the draft audit report;
5. Reviewing the Yearly financial statements before submission to the board for approval;
6. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
7. approval or any subsequent modification of transactions of the Company with related parties;
8. scrutiny of inter-corporate loans and investments;

CORPORATE GOVERNANCE REPORT (Contd.)

9. evaluation of internal financial controls;
10. Reviewing performance of statutory and internal auditors, adequacy of the internal control systems;
11. Reviewing of internal audit function, reporting structure coverage and frequency of internal audit;
12. Discussion with internal auditors of any significant findings and follow up there on;
13. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
14. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
15. To review the functioning of the whistle blower mechanism and Vigil Mechanism;
16. Recommendation of appointment of Chief Financial Officer, Finance Head, Internal Audit Head after assessing qualifications, experience and background, etc. of candidate to the Board;
17. The Audit Committee must ensure that an Information System Audit of the internal systems and processes is conducted at least once in two years to assess operational risks faced by the Company; and
18. Carrying out any other function as is mentioned in the terms of reference of the audit committee.

NOMINATION AND REMUNERATION COMMITTEE

Name of the Director	Member of Committee since	Capacity (i.e. Executive / non-executive/ Chairman/ Promoter/ Nominee/ Independent)	Number of Meetings of the Committee		No of Shares held in NBFC
			Held	Attended	
Ms. Meena Jagtiani	08 December, 2023	Chairperson, Independent Director	2	2	-
Mr. Natarajan Girija Shankar	08 December, 2023	Independent Director	2	2	-
Ms. Ananyashree Birla	08 December, 2023	Non-Executive Director	2	1	10*

*Holding on behalf of Svatantra Microfin Private Limited, the Holding Company.

Terms of Reference of the Nomination and Remuneration Committee includes:

1. To formulate a criteria for determining qualifications, positive attributes and independence of a Director;
2. To ensure 'fit and proper' status of proposed/ existing Directors;
3. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
4. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
5. To recommend to the Board the appointment and removal of Senior Management;
6. To carry out evaluation of Director's performance and recommend to the Board appointment / removal based on his / her performance;
7. To recommend to the Board on policy relating to remuneration for Directors including Executive Directors, Key Managerial Personnel and Senior Management;
8. To make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;
9. Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
10. To devise a policy on Board diversity.

CORPORATE GOVERNANCE REPORT (Contd.)

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Name of the Director	Member of Committee since	Capacity (i.e. Executive / non-executive/ Chairman/ Promoter/ Nominee/ Independent)	Number of Meetings of the Committee		No of Shares held in NBFC
			Held	Attended	
Ms. Meena Jagtiani	08 December, 2023	Chairperson, Independent Director	4	4	-
Mr. Vineet Bijendra Chattree	08 December, 2023	Executive Director	4	4	-
Mr. Anand Rao	20 December, 2019	Executive Director	4	4	-

Terms of Reference of the Corporate Social Responsibility Committee includes:

1. To formulate and recommend to the board of directors, the CSR Policy which shall indicate the activities to be undertaken as specified in Schedule VII of the Act and the applicable rules;
2. To Recommend the areas of interest under which CSR activities can be undertaken by the Company in collaborating with Chaitanya affiliate companies or any other company or any other entity;
3. To recommend amount of expenditure to be incurred on CSR activities planned for the year;
4. To formulate the CSR Budget based on the CSR activities planned for the year;
5. To create an effective due diligence and monitoring mechanism for implementation of the approved CSR activities; and
6. To submit reports to Board of Directors in respect of CSR activities undertaken by Chaitanya.

ASSET & LIABILITY MANAGEMENT COMMITTEE

Name of the Director	Member of Committee since	Capacity (i.e. Executive / non-executive/ Chairman/ Promoter/ Nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
			Held	Attended	
Mr. Anand Rao	21 September, 2020	Chairman, Executive Director	5	5	-
Mr. Vineet Bijendra Chattree	08 December, 2023	Executive Director	5	5	-
Mr. Abhik Sarkar*	21 September, 2020	Chief Financial Officer	5	5	-
Mr. Anis Nasirullah Pathan**	08 April, 2023	Chief Risk Officer	5	5	-
Mr. Rakesh Yadav ***	23 May, 2025	Chief Financial Officer	-	-	-

*Mr. Abhik Sarkar has resigned on 28 February, 2025
**Mr. Anis Nasirullah Pathan has resigned on 26 May, 2025
*** Mr. Rakesh Yadav became member w.e.f. 23 May, 2025

Terms of Reference of the Asset & Liability Management Committee includes:

1. Monitoring the market risk levels of the Company by ensuring adherence to the various risk-limits set by the Board;
2. Articulating the current interest rate view and a view on future direction of interest rate movement and base its decisions for future business strategy on this view as also on other parameters considered relevant;
3. Deciding the business strategy of the Company, both - on the assets and liabilities sides, consistent with the Financial Institution's interest rate view, budget and pre-determined risk management objectives. This would, in turn, include:
    a. Determining the desired maturity profile and mix of the assets and liabilities;
    b. Product pricing for both - assets as well as liabilities side;
    c. Deciding the funding strategy
    d. Reviewing the results of and progress in implementation of the decisions made in the previous meetings

CORPORATE GOVERNANCE REPORT (Contd.)

RISK MANAGEMENT COMMITTEE

Name of the Director	Member of Committee since	Capacity (i.e. Executive / non-executive/ Chairman/ Promoter/ Nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
			Held	Attended	
Mr. Natarajan Girija Shankar	08 December, 2023	Chairman, Independent Director	3	3	-
Mr. Anand Rao	06 December, 2014	Executive Director	3	3	-
Mr. Vineet Bijendra Chattree	08 December, 2023	Executive Director	3	3	-
Mr. Anis Nasirullah Pathan*	08 April, 2023	Chief Risk Officer (CRO)	3	3	-

*Mr. Anis Nasirullah Pathan has resigned on 26 May, 2025

Terms of Reference of the Risk Management Committee includes:

1. To periodically assess risks to the effective execution of business strategy and review key leading indicators in this regard;
2. To review and approve the Risk Management Framework of the Company;
3. To periodically review the risk management processes and practices of the Company and ensure that the Company is taking the appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities;
4. To review operational risk, information technology risk and integrity risk;
5. To review credit risk management processes;
6. The risk management committee shall evaluate significant risk exposures of the Company and assess management's actions to mitigate the exposures in a timely manner;
7. To appraise the Board of Directors at regular intervals regarding the process of putting in place a progressive risk management system, risk management policy and strategy;
8. To make regular reports to the Board, including with respect to risk management and minimization procedures;
9. The role and responsibilities of the risk management committee shall include such other items as may be prescribed by applicable law or the Board in compliance with applicable law, from time to time; and
10. Have access to any internal information necessary to fulfill its oversight role and the authority to obtain advice and assistance from internal or external legal, accounting or other advisors.

INFORMATION TECHNOLOGY STRATEGY COMMITTEE

Name of the Director	Member of Committee since	Capacity (i.e. Executive / non-executive/ Chairman/ Promoter/ Nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
			Held	Attended	
Mr. Natarajan Girija Shankar	08 December, 2023	Chairman, Independent Director	4	4	-
Mr. Anand Rao	21 September, 2020	Executive Director	4	4	-
Mr. Vineet Bijendra Chattree	08 December, 2023.	Executive Director	4	4	-
Mr. Linjin T	21 September, 2020	Chief Technology Officer	4	4	-

CORPORATE GOVERNANCE REPORT (Contd.)

Terms of Reference of the Information Technology Strategy Committee includes:

1. Providing input to other Board committees and Senior Management;
2. Carrying out review and amending the IT strategies in line with the corporate strategies, Board Policy reviews, cyber security arrangements and any other matter related to IT Governance:
    a. Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place;
    b. Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business;
    c. Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable;
    d. Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources; and
    e. Ensuring proper balance of IT investments for sustaining NBFC's growth and becoming aware about exposure towards IT risks and controls.

STAKEHOLDER RELATIONSHIP COMMITTEE

Name of the Director	Member of Committee since	Capacity (i.e. Executive / non-executive/ Chairman/ Promoter/ Nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
			Held	Attended	
Ms. Ananyashree Birla	13 February, 2024	Non-Executive	4	2	10*
Mr. Anand Rao	13 February, 2024	Executive Director	4	4	-
Mr. Vineet Bijendra Chattree	13 February, 2024	Executive Director	4	4	-

*Holding on behalf of Svatantra Microfin Private Limited, the Holding Company.

Terms of Reference of the Stakeholder Relationship Committee includes:

1. To resolve the grievances of the security holders of the listed entity including complaints related to transfer/transmission of securities, nonreceipt of annual report, non-receipt of declared dividend / interest amount / redemption payment etc;
2. To review measures taken for effective exercise of voting rights by security holders; and
3. To review adherence to the service standards adopted in respect of various services being rendered by the Registrar & Share Transfer Agent.

CUSTOMER PROTECTION COMMITTEE

Name of the Director	Member of Committee since	Capacity (i.e. Executive / non-executive/ Chairman/ Promoter/ Nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
			Held	Attended	
Mr. Anand Rao	07 June, 2024	Executive Director	4	4	-
Mr. Vineet Bijendra Chattree	07 June, 2024	Executive Director	4	4	-

Terms of Reference of the Customer Protection Committee includes:

a) To determine the structure of emoluments, facilities and benefits accorded to the Internal Ombudsman/ Deputy Internal Ombudsman, which should be appropriate keeping in view the stature and position of the Internal Ombudsman/ Deputy Internal Ombudsman;

b) To put in place a system for discussion of cases, in which the decision of the Internal Ombudsman has been rejected by the regulated entity;

CORPORATE GOVERNANCE REPORT (Contd.)

c) To approve a Standard Operating Procedure (SOP) framed with respect to redressal of complaints by Internal Ombudsman;

d) To review the cases where the decision of the Internal Ombudsman has been rejected by the regulated entity; and

e) To review the reports (including analysis of the complaints) quarterly as placed by the Internal Ombudsman and provide recommendations if any.

FINANCE COMMITTEE

Name of the Director	Member of Committee since	Capacity (i.e. Executive / non-executive/ Chairman/ Promoter/ Nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
			Held	Attended	
Mr. Anand Rao	05 March, 2016	Executive Director	32	32	-
Mr. Vineet Bijendra Chattree	23 November, 2023	Executive Director	32	32	-

Terms of Reference of the Finance Committee includes:

1. Clause (d) to (f) of section 179 of The Companies Act 2013:
    (d) To borrow monies;
    (e) To invest the funds of the Company;
    (f) To grant loans or give guarantees or provide security in respect of loans.
2. To authorise sell-out / buy out, assignment and securitisation transactions;
3. To accept appointment / empanelment as BC (Business Correspondent), Micro Insurance agent;
4. To effect change in interest rates charged on loans given to our customers as and when required to comply with RBI margin cap compliance;
5. To avail all banking facilities such as, opening of accounts, online / net banking, CMS, Trade finance, ECS, closing of accounts and any other such products offered by banks, on behalf of the Company and also authorized to subdelegate the powers to any of the officers of the Company;
6. To appoint authorized signatories or remove signatories for operating the companies banking facilities (including online/ net banking);
7. Approval for allotment of securities;
8. Issue of Power of Attorney;
9. Approval for Split up of securities;
10. Redemption of Debentures;
11. Prepayment Loans and Non-convertible Debentures;
12. To avail call or put option for the Non-convertible Debentures;
13. To approve availment of any of the services provided with respect to collection, aggregation of funds such as collection account in whatsoever name, such as Cash management facilities, from any bank or financial service provider and all matters associated with the same;
14. To approve availment of any of the services provided by a bank with respect to disbursal / payment / transfer of funds such as Host-to-Host payment services, API (Automated Payment Interface) facilities from any bank or financial service provider and all matters associated with the same;
15. Placing of surplus funds of the Company in approved investments such as Fixed Deposits, Money Market Funds (both liquid funds and overnight funds) and redemption of such investments within limits as approved by Board from time to time;

CORPORATE GOVERNANCE REPORT (Contd.)

16. Closing of any bank accounts and closing or terminating of any financial services availed in the past from any bank, financial institution or financial service providers;
17. Identifying the investors and to offer the Securities;
18. Investments in securities as per Treasury and Investment Policy;
19. To avail Demat & Trading Facilities or setting up any other facilities for trading for treasury operations and appoint or remove authorised signatories operating such facilities; and
20. Appointment or Change of Registrar and Transfer Agent for the Company's Securities (Debentures, Equity shares and other securities) issued under the Companies Act 2013 and admission of such securities on Depositories.

3. GENERAL BOADY MEETING

The details of the General Meetings (GMs) of the shareholders held during the Financial Year 2024-25 are given below:

Sl. No.	Type of meeting	Date	Venue	Resolutions passed
1.	Annual General Meeting	30 September, 2024	Level 20, Sunshine Tower, Senapati Bapat Marg, Elphinstone Road, Mumbai - 400013.	1. Adoption of audited financial statements of the Company for the financial year ended 31 March, 2024 2. Appointment of Statutory Auditors of the Company.

4. DETAILS OF NON-COMPLIANCE WITH REQUIREMENTS OF COMPANIES ACT, 2013

During the financial year under review, there has been no default in compliance with the requirements of the Companies Act, 2013, including the compliance with respect to the Accounting and Secretarial Standards.

5. DETAILS OF PENALTIES AND STRICTURES

During the financial year under review, no penalties and/ or strictures has been imposed on the Company by the Reserve Bank of India (RBI) or any other statutory authority.

For Chaitanya India Fin Credit Private Limited

Sd/-
Ananyashree Birla
Chairperson
DIN: 06625036

Date: 11 August, 2025
Place: Mumbai

INDEPENDENT AUDITOR'S REPORT

To the Members of **Chaitanya India Fin Credit Private Limited**

Report on the Audit of the Financial Statements

OPINION

We have audited the accompanying financial statements of Chaitanya India Fin Credit Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its profit and total comprehensive income (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 ("the ICAI") 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Sr. No.	Key Audit Matter	Auditor's Response
1.	**Allowances for Expected Credit Losses:** (Refer Note 7 to the financial statements) As at March 31, 2025 loan assets aggregated ₹ 627,097.97 lakhs, constituting 90% of the Company's total assets. Significant judgement is used in classifying these loan assets and applying appropriate measurement principles. The allowance for expected credit losses ("ECL") on such loan assets measured at amortised cost is a critical estimate involving greater level of management judgement. As part of our risk assessment, we determined that the allowance for ECL on loan assets has a high degree of estimation uncertainty, with a potential range of reasonable outcomes for the financial statements.	**Principal audit procedures performed:** Read the policies approved by the Board of Directors of the Company that articulate the objectives of managing each portfolio and their business models. Evaluated the management estimates by understanding the process of ECL estimation and related assumptions and tested the controls around data extraction, validation and computation. Assessed the methodology adopted for computation of ECL ("ECL Model") that addresses policies approved by the Board of Directors, procedures and controls for assessing and measuring credit risk on all lending exposures measured at amortised cost.

INDEPENDENT AUDITOR'S REPORT (Contd.)

Sr. No.	Key Audit Matter	Auditor's Response
	The elements of estimating ECL which involved increased level of audit focus are the following: • Qualitative and quantitative factors used in staging the loan assets measured at amortised cost. • Basis used for estimating Probabilities of Default ("PD"), • Basis used for estimating Loss Given Default ("LGD") • Judgements used in projecting economic scenarios and probability weights applied to reflect future economic conditions. • Adjustments to model driven ECL results to address emerging trends.	Tested that adjustment done to the output of the ECL Model is consistent with the documented rationale and basis for such adjustments and that the amount of adjustment has been approved by the Board of Directors. Checked disclosures made in relation to the ECL allowance in financial statements.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Director's report including annexures to Director's report, but does not include the financial statements and our auditor's report thereon. The Director's report 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 will 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 the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Director's report, If we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and shall comply with the relevant applicable requirement of SA 720 (Revised), 'The Auditor's Responsibilities Relating to Other Information'.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

The Company's Management and Board of Directors are 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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder. 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 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, the 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

INDEPENDENT AUDITOR'S REPORT (Contd.)

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 system 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 the 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.

Other Matter

The comparative financial information of the Company as at and for the year ended March 31, 2024 included in these financial statements have been audited by the predecessor auditor who have expressed an unmodified opinion vide its audit report dated May 16, 2024.

Our opinion on the financial statements is not modified in respect of above matter.

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 A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report to the extent applicable that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   (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 except for the matters stated in paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
   (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) The modifications relating to the maintenance of accounts and other matters connected therewith as stated in paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

(g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(h) In our opinion and to the best of our information and according to the explanations given to us, the Company being a private Company, Section 197 of the Act related to the managerial remuneration is not applicable.

(i) 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 40 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) (a). The Management has represented that, to the best of it's 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, 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.

(b). The Management has represented, that, to the best of it's 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, 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.

Based on the audit procedures performed that have been 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) contain any material misstatement.

(v) The Company has not declared or paid any dividend during the year and has not proposed final dividend during the year.

(vi) Based on our examination which included test checks, the Company has used multiple accounting software for maintaining its books of account for the financial year ended March 31, 2025, which has a feature

of recording audit trail (edit log) facility and the same has been operating throughout the year for all relevant transactions recorded in the respective software except for certain fields and tables at application level for a software (Oracle).

Additionally, the audit trail to the extent it was enabled as stated above, has been preserved by the Company as per the statutory requirements for record retention.

For S.N. Dhawan & CO LLP
Chartered Accountants
Firm Registration No.: 000050N/N500045

Rahul Singhal
Partner
Membership No.: 096570
UDIN No.: 25096570BMIQMT4603

Place: Gurugram
Date: May 23, 2025

ANNEXURE A
TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditor's Report of even date to the members of Chaitanya India Fin Credit Private Limited on the financial statements as of and for the year ended March 31, 2025)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment (including right of use assets, investment property and asset held for sale).

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Property, Plant and Equipment have been physically verified by the management during the year and according to the information and explanation given to us, no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the Property, Plant and Equipment is reasonable having regard to the size of the Company and the nature of its assets.

(c) The Company does not hold any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, the provisions of clause 3(i)(c) of the Order are not applicable.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year, being under cost model. Accordingly, the provisions of clause 3(i)(d) of the Order are not applicable.

(e) There are no proceedings which have been initiated or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and Rules made thereunder.

(ii) (a) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii)(a) of the Order are not applicable.

(b) During the year, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, from banks and financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company for the respective quarters and no material discrepancies have been observed.

(iii) (a) The Company's principal business is to give loans. Accordingly, the provisions of clause 3(iii)(a) of the Order are not applicable.

(b) In our opinion, security given and the terms and conditions of grant of all loans and advances in the nature of loans are not, prima facie, prejudicial to the Company's interest. The Company has not made any investments in, and or provided any guarantee during the year.

(c) In our opinion, in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and in our opinion the repayments/receipts of the principal amount and the interest are regular, except for below mentioned cases, wherein the repayment(s)/receipt(s) of the principal amount and the interest are not regular. The details of such cases are as follows (Refer note 7 to the financial statements).

Category of loan	Extent of delay	Amount (₹ in lakhs)
Term Loans	1-30 Days	6,249.63
	31-90 Days	9,000.32
	More than 90 Days	10,107.07
Total		**25,357.02**

(d) In respect of loans or advances in the nature of loans granted by the Company, (the total amount which is overdue for more than 90 days as at the balance sheet date is given as under). As explained to us, reasonable steps have been taken by the Company for the recovery of principal/ interest amounts (Refer note 7 to the financial statements).

(Amount ₹ in lakhs)

Category of Loan	No. of Cases	Principal Amount Overdue	Interest Overdue	Total Overdue
Term Loans	99,408	9,989.33	117.74	10,107.07

(e) The Company's principal business is to give loans. Accordingly, the provisions of clause 3(iii)(e) of the Order are not applicable.

(f) The Company has not granted any loans or advances in the nature of loans which are either repayable on demand or without specifying any terms or period of repayment. Accordingly, the provisions of clause 3(iii)(f) of the Order are not applicable.

(iv) The Company has not undertaken any transactions in respect of loans, guarantees, and securities covered under section 185 of the Companies Act, 2013. The Company has not made any investment as referred to in section 186(1) of the Act and other requirements relating to section 186 do not apply to the Company.

(v) The Company has neither accepted any deposits nor the amounts which are deemed to be deposits during the year and further the Company had no unclaimed deposits at the beginning of the year within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

(vii) (a) The undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income tax and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable. We are informed that the operations of the Company during the year did not give rise to any liability for sales-tax, service tax, value added tax and duty of excise.

(b) There are no statutory dues referred to in sub-clause (a) that have not been deposited with the appropriate authorities on account of any dispute except for the following cases.

Name of Statute	Nature of dues	Forum where dispute is pending	Period to which amount relates	Amount involved (₹ in lakhs)	Amount paid under protest (₹ in lakhs)
Income-tax Act, 1961	Income-tax	Commissioner of Income-tax (Appeals)	AY 2015-16	82.49	82.49
Income-tax Act, 1961	Income-tax	Commissioner of Income-tax (Appeals)	AY 2016-17	48.25	9.60
Income-tax Act, 1961	Income-tax	Commissioner of Income-tax (Appeals)	AY 2020-21	41.78	13.27
Income-tax Act, 1961	Income-tax	Centralised Processing Centre (CPC)	AY 2021-22	0.72	-
Income-tax Act, 1961	Income-tax	Commissioner of Income-tax (Appeals)	AY 2022-23	26.43	-

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) We report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The term loans were applied for the purposes for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the provisions of clause 3(ix)(e) & 3(ix)(f) of the Order are not applicable.

(x) (a) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(x)(a) of the Order are not applicable.

(b) During the year, the Company has made private placement of shares. In respect of such allotment, in our opinion, the Company has complied with the requirement Section 62 of the Act and the Rules framed there under. In our opinion, the funds raised have been utilized for the purposes for which the funds were raised. The Company has not made any preferential allotment of shares and preferential or private placement of convertible debentures (fully, partially or optionally) during the year.

(xi) (a) Considering the principles of materiality outlined in the Standards on Auditing, we report that no material fraud by the Company or on material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) Considering the principles of materiality outlined in the Standards on Auditing, we have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

(xii) The Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii)(a)-(c) of the Order are not applicable.

(xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

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

(xv) During the year the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.

(xvi) (a) The Company is required to be registered under Section 45-IA of the RBI Act, 1934 and such registration has been obtained by the Company.

(b) The Company has conducted Non-Banking Financial activities with a valid Certificate of Registration (COR) from the Reserve Bank of India (RBI) as per the Reserve Bank of India Act, 1934. The Company has not conducted any Housing Finance activities and hence not required to obtain certificate of registration for such activities.

(c) The Company is not a Core Investment Company ("CIC") as defined in the regulations made by the Reserve Bank of India. Accordingly, provisions of clause 3(xvi)(c) of the Order are not applicable.

(d) The Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC as part of the Group. Accordingly, provisions of clause 3(xvi)(d) of the Order are not applicable.

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

(xvii) The Company has not incurred any cash losses in the current financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount, to a Fund specified in Schedule VII to the Act within a period of six months of the expiry of the financial year in compliance with the second proviso to sub-section (5) of Section 135 of the said Act.

(b) The Company does not have any ongoing projects as on March 31, 2025.

For S.N. Dhawan & CO LLP
Chartered Accountants
Firm Registration No.: 000050N/N500045

Rahul Singhal
Partner
Membership No.: 096570
UDIN No.: 25096570BMIQMT4603

Place: Gurugram
Date: May 23, 2025

ANNEXURE B

Independent Auditor's report on the Internal Financial Controls with reference to financial statements 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 Chaitanya India Fin Credit Private Limited ("the Company") as of March 31, 2025 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 financial control with reference to financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to 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, issued by the Institute of Chartered Accountants of India ("the ICAI") and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the 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 financial statements were 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 system with reference to 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 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 system with reference to financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO 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 controls 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.

ANNEXURE B (Contd.)

OPINION

In our opinion, and to the best of our information and according to the explanations given to us the Company has, in all material respects, adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal financial control with reference to financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.N. Dhawan & CO LLP
Chartered Accountants
Firm's Registration No.:000050N/N500045

(Rahul Singhal)
Partner
Membership No.: 096570
UDIN No.: 25096570BMIQMT4603

Place: Gurugram
Date: May 23, 2025

BALANCE SHEET AS AT 31 MARCH, 2025

(All amounts in ₹ Lacs unless otherwise stated)

Particulars	Notes	As at 31 March, 2025	As at 31 March, 2024
I ASSETS			
1 Financial assets			
Cash and cash equivalents	4	27,226.22	32,403.40
Bank balance other than cash and cash equivalents	5	5,472.98	4,342.59
Receivables :			
i) Trade receivables	6	326.92	317.12
Loans	7	6,27,097.97	5,12,945.17
Investments	8	13,001.63	11,559.93
Other financial assets	9	9,809.18	11,142.12
		6,82,934.90	**5,72,710.33**
2 Non-financial assets			
Current tax assets (net)	20	117.08	114.35
Deferred tax assets (net)	10	5,458.46	1,253.10
Property, plant and equipment	11	2,122.36	2,007.20
Right of use assets	12	463.49	635.15
Other intangible assets	13	288.05	358.13
Intangible Assets under Development	13	97.04	-
Other non-financial assets	14	4,680.84	3,915.89
		13,227.32	**8,283.82**
Total assets		**6,96,162.22**	**5,80,994.15**
II LIABILITIES AND EQUITY			
LIABILITIES			
1 Financial liabilities			
Payables			
(I) Trade payables	15		
(i) total outstanding dues of micro enterprises and small enterprises		13.38	3.82
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,371.08	884.61
Debt securities	16	25,798.72	31,826.58
Borrowings (other than debt securities)	17	4,80,220.51	3,94,335.33
Subordinated liabilities	18	19,173.19	20,477.27
Lease liabilities	41	522.23	661.98
Other financial liabilities	19	12,804.10	20,698.18
		5,39,903.21	**4,68,887.77**
2 Non-financial liabilities			
Current tax liabilities (net)	20	406.97	196.12
Provisions	21	2,329.01	1,603.69
Other non-financial liabilities	22	758.42	682.05
		3,494.40	**2,481.86**
Total liabilities		**5,43,397.61**	**4,71,369.63**
3 Equity			
Equity share capital	23	17,974.00	15,766.67
Other equity	24	1,34,790.61	93,857.85
Total equity		**1,52,764.61**	**1,09,624.52**
Total liabilities and equity		**6,96,162.22**	**5,80,994.15**

See accompanying notes forming part of the financial statements.

For and on behalf of the Board of Directors of
Chaitanya India Fin Credit Private Limited

As per our report of even date
S N Dhawan & CO LLP
Chartered Accountants
Firm Registration No.: 000050N/N500045

Sd/-
Vineet Bijendra Chattree
Whole Time Director
DIN No. 07962531
Mumbai
23 May, 2025

Sd/-
Anand Rao
Managing Director
DIN: 01713987
Bengaluru
23 May, 2025

Sd/-
Rahul Singhal
Partner
Membership No. 096570
Gurugram
23 May, 2025

Sd/-
Rakesh Yadav
Chief Financial Officer
Mumbai
23 May, 2025

Sd/-
Neeraj Jain
Company Secretary
Membership No: 12273
Mumbai
23 May, 2025

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2025

(All amounts in ₹ Lacs unless otherwise stated)

	Particulars	Notes	For the year ended 31 March, 2025	For the year ended 31 March, 2024
	Revenue from operations			
	(i) Interest income	25	1,43,287.63	1,05,189.88
	(ii) Fees and commission income	26	341.13	278.30
	(iii) Net gain on fair value changes	27	651.72	969.01
	(iv) Net gain on de-recognition of financial instruments under amortised cost category	28	10,864.63	16,090.52
	(v) Other operating income	29	984.12	1,583.84
(I)	**Total revenue from operations**		**1,56,129.23**	**1,24,111.55**
(II)	Other income	30	89.16	120.40
(III)	**Total income (I + II)**		**1,56,218.39**	**1,24,231.95**
	Expenses			
	(i) Finance costs	31	50,527.86	41,032.40
	(ii) Impairment of financial instruments	32	21,598.78	7,793.47
	(iii) Employee benefits expenses	33	31,860.46	22,891.77
	(iv) Depreciation and amortization expenses	34	981.24	723.47
	(v) Other expenses	35	17,429.04	12,896.59
(IV)	**Total expenses**		**1,22,397.38**	**85,337.70**
(V)	**Profit before tax (III - IV)**		**33,821.01**	**38,894.25**
(VI)	**Tax expense:**	36		
	(1) Current tax		12,406.95	9,726.57
	(2) Deferred tax		(4,162.30)	(406.30)
			8,244.65	**9,320.27**
(VII)	**Profit for the year (V-VI)**		**25,576.36**	**29,573.98**
(VIII)	Other comprehensive income			
	(i) Items that will not be reclassified to profit or loss		(22.59)	(6.08)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		5.68	1.53
	Subtotal (A)		**(16.91)**	**(4.55)**
	(i) Items that will be reclassified to profit or loss		(148.51)	176.58
	(ii) Income tax relating to items that will be reclassified to profit or loss		37.38	(44.44)
	Subtotal (B)		**(111.13)**	**132.14**
	Other comprehensive income		(128.04)	127.59
(IX)	**Total comprehensive income for the year (VII + VIII)**		**25,448.32**	**29,701.57**
(X)	**Earnings per equity share (EPS) (face value of ₹ 10.00 each)**	37		
	Basic (₹)		15.59	19.07
	Diluted (₹)		15.59	19.07

See accompanying notes forming part of the financial statements.

For and on behalf of the Board of Directors of
Chaitanya India Fin Credit Private Limited

As per our report of even date
S N Dhawan & CO LLP
Chartered Accountants
Firm Registration No.: 000050N/N500045

Sd/-
Vineet Bijendra Chattree
Whole Time Director
DIN No. 07962531
Mumbai
23 May, 2025

Sd/-
Anand Rao
Managing Director
DIN: 01713987
Bengaluru
23 May, 2025

Sd/-
Rahul Singhal
Partner
Membership No. 096570
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23 May, 2025

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Rakesh Yadav
Chief Financial Officer
Mumbai
23 May, 2025

Sd/-
Neeraj Jain
Company Secretary
Membership No: 12273
Mumbai
23 May, 2025

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH, 2025

(All amounts in ₹ Lacs unless otherwise stated)

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
A. Cash flow from operating activities		
Profit before tax	33,821.01	38,894.25
ESOP expenses credited to ESOP reserve	-	299.28
Contribution to employee stock option scheme	-	126.47
Depreciation and amortization	981.24	723.47
Income on lease termination	-	(41.37)
Interest expense on lease liability	66.43	71.71
Loss/(gain) on sale of property, plant and equipment (net)	1.55	4.43
Impairment of financial instruments	21,598.78	7,793.47
EIR adjustment on financial instruments	2,071.82	230.52
Net change in fair value of loans measured at fair value through other comprehensive income	(148.51)	176.58
Net gain on sale of investments	(648.23)	(993.75)
Net gain on fair value changes on investment	(3.49)	24.74
Gain on sale of loan portfolio through assignment	(10,864.61)	(16,090.52)
Operating profit before working capital changes	**46,875.99**	**31,219.28**
Movements in working capital:		
(Increase) / decrease in loans	(1,36,368.76)	(1,43,333.21)
(Increase) / decrease in receivables	(9.80)	(312.62)
(Increase)/ decrease in other financial assets	12,214.59	11,355.15
(Increase) / decrease in other non-financial assets	(765.50)	(1,926.67)
Increase/ (decrease) in payables	496.03	(478.37)
Increase / (decrease) in other financial liabilities	(7,894.08)	6,134.08
Increase/ (decrease) in provisions	504.82	(865.66)
Increase / (decrease) in non-financial liabilities	76.37	(785.14)
Cash used in operations	**(84,870.34)**	**(98,993.16)**
Direct taxes paid (net of refunds)	(12,196.10)	(9,581.05)
Net cash flows used in operating activities (A)	**(97,066.44)**	**(1,08,574.21)**
B. Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets	(959.91)	(1,338.06)
Proceeds from sale of property, plant and equipment and intangible assets	6.66	0.99
Proceeds from sale of Investments	25,30,742.47	33,31,877.87
Purchase of Investments	(25,31,548.51)	(33,28,990.56)
(Investment) in/ withdrawal of Bank Deposits	(1,130.39)	(2,256.60)
Net cash flows used in investing activities (B)	**(2,889.68)**	**(706.36)**
C. Cash flow from financing activities		
Proceeds from issue of equity shares (including securities premium)	17,691.77	7,500.00
Proceeds from debt securities	-	23,500.00
Repayment of debt securities	(6,250.00)	(7,150.00)
Proceeds from other than debt securities	4,07,299.25	3,39,605.63
Repayment of other than debt securities	(3,22,255.90)	(2,55,741.87)
Repayment of subordinated debt	(1,500.00)	-

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Lease payments	(206.18)	(191.79)
Net cash flows from financing activities (C)	**94,778.94**	**1,07,521.97**
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(5,177.18)	(1,758.60)
Cash and cash equivalents at the beginning of the year	32,403.40	34,162.00
Cash and cash equivalents at the end of the year	**27,226.22**	**32,403.40**

COMPONENTS OF CASH AND CASH EQUIVALENTS

Cash and cash equivalents at the end of the year	For the year ended 31 March, 2025	For the year ended 31 March, 2024
i) Cash on hand	58.89	0.85
ii) Balances with banks (of the nature of cash and cash equivalents)	27,167.33	32,402.55
Total	**27,226.22**	**32,403.40**

See accompanying notes forming part of the financial statements.

For and on behalf of the Board of Directors of
Chaitanya India Fin Credit Private Limited

Sd/-
Vineet Bijendra Chattree
Whole Time Director
DIN No. 07962531
Mumbai
23 May, 2025

Sd/-
Anand Rao
Managing Director
DIN: 01713987
Bengaluru
23 May, 2025

Sd/-
Rakesh Yadav
Chief Financial Officer
Mumbai
23 May, 2025

Sd/-
Neeraj Jain
Company Secretary
Membership No: 12273
Mumbai
23 May, 2025

As per our report of even date
S N Dhawan & CO LLP
Chartered Accountants
Firm Registration No.: 000050N/N500045

Sd/-
Rahul Singhal
Partner
Membership No. 096570
Gurugram
23 May, 2025

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2025

(All amounts in ₹ Lacs unless otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	Number of shares	Amount
As at 01 April, 2024	15,76,66,666	15,766.67
Changes in Equity share capital during the year	2,20,73,333	2,207.33
As at 31 March, 2025	**17,97,39,999**	**17,974.00**

Particulars	Number of shares	Amount
As at 01 April, 2023	14,51,66,666	14,516.67
Changes in Equity share capital during the year	1,25,00,000	1,250.00
As at 31 March, 2024	**15,76,66,666**	**15,766.67**

(1) Current reporting period

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
15,766.67	-	-	2,207.33	17,974.00

(2) Previous reporting period

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
14,516.67	-	-	1,250.00	15,766.67

B. OTHER EQUITY

Particulars	Reserves and Surplus				Other comprehensive income	Total
	Securities premium account	Statutory reserve - Reserve fund u/s 45-IC of RBI Act 1934	Debenture redemption reserve	Retained earnings		
Balance as at 01 April, 2024	**40,982.83**	**10,696.02**	**-**	**42,119.71**	**59.29**	**93,857.85**
Profit for the year	-	-	-	25,576.36	-	25,576.36
Other comprehensive income (net of tax)	-	-	-	-	(128.04)	(128.04)
Issue of equity shares	15,484.44	-	-	-	-	15,484.44
Transfer to statutory reserves	-	5,115.28	-	(5,115.28)	-	-
Balance as at 31 March, 2025	**56,467.27**	**15,811.30**	**-**	**62,580.79**	**(68.75)**	**1,34,790.61**

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

Particulars	Reserves and Surplus				Other comprehensive income	Total
	Securities premium account	Statutory reserve - Reserve fund u/s 45-IC of RBI Act 1934	Debenture redemption reserve	Retained earnings		
Balance as at 01 April, 2023	**34,732.83**	**4,781.30**	**100.00**	**18,061.17**	**(68.30)**	**57,607.00**
Profit for the year	-	-	-	29,573.98	-	29,573.98
Other comprehensive income (net of tax)	-	-	-	-	127.59	127.59
ESOP reserve	-	-	-	299.28	-	299.28
Issue of equity shares	6,250.00	-		-	-	6,250.00
Transfer to statutory reserves	-	5,914.72	-	(5,914.72)	-	-
Transfer to debenture redemption reserve	-	-	(100.00)	100.00	-	-
Balance as at 31 March, 2024	**40,982.83**	**10,696.02**	**-**	**42,119.71**	**59.29**	**93,857.85**

For and on behalf of the Board of Directors of
Chaitanya India Fin Credit Private Limited

As per our report of even date
S N Dhawan & CO LLP
Chartered Accountants
Firm Registration No.: 000050N/N500045

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Rakesh Yadav
Chief Financial Officer
Mumbai
23 May, 2025

Sd/-
Neeraj Jain
Company Secretary
Membership No: 12273
Mumbai
23 May, 2025

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
AS AT 31 MARCH, 2025

(All amounts in ₹ Lacs unless otherwise stated)

1. CORPORATE INFORMATION

Chaitanya India Fin Credit Private Limited ('the Company) was incorporated on 31 March, 2009, to carry on the business of lending, instalment financing, bill discounting, providing working capital and term loan facilities to small and medium business enterprises including individual loans, with or without all or any types of securities. The Company acts as facilitator for provision of micro finance loans, and other financial services by acting as intermediaries between Banks, Financial Institutions, Individuals, Corporate bodies or other entities (whether incorporated or not), of one part, with the Joint Liability Groups (JLG), Members of JLGs, discrete individuals or small groups which are in the process of forming JLGs and / or other micro-credit aspirants, and to assist, execute and promote and finance such programs, either directly or through an independent agency and/or in any other manner.

The Company has received Certificate of registration from Reserve Bank of India dated 25 September, 2009, to carry on the business of Non- Banking Financial Institution without accepting deposits. The Company has obtained registration under the Non-Banking Finance Company – Micro Finance Institution (Reserve Bank) Directions, 2011 vide RBI Letter dated 05 September, 2013.

The Company became a subsidiary of Svatantra Microfin Private Limited ('SMPL') with effect from 23 November, 2023 consequent to SMPL acquiring the entire equity shares of the Company from Navi Technologies Limited (the erstwhile ultimate holding company) and Navi Finserv Limited (the erstwhile holding company).

The cut-off date for accounting purposes has been mutually agreed at the close of business hours as on 30 November, 2023.

The Company is treated as a middle layer Non-Banking Financial Company – Micro Finance Institutions (MFIs) as the assets size of the group (consolidated assets size of the Company and its Holding Company put together) ₹ 1,000 Crores and above (by virtue of RBI Master Direction (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, dated 19 October, 2023).

2. BASIS OF PREPARATION

A. BASIS OF MEASUREMENT

The financial statements have been prepared under the historical cost convention, as modified by the application of fair value measurements required or allowed by relevant accounting standards. Accounting policies have been consistently applied to all periods presented, unless otherwise stated.

The financial statements are presented in Indian rupees (₹) and all values are rounded to nearest Lakhs except when otherwise indicated.

These financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, RBI directions to NBFCs and Division III to Schedule III of the Act. 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. These financial statements have been prepared in a going concern basis.

B. PRESENTATION OF FINANCIAL STATEMENTS

The financial statements of the Company are presented as per Schedule III (Division III) of the Companies Act, 2013 applicable to NBFCs, as notified by the Ministry of Corporate Affairs (MCA). Financial assets and financial liabilities are generally reported on a gross basis except when, there is an unconditional, legally enforceable right to offset the recognized amounts without being contingent on a future event and the parties intend to settle on a net basis in the following circumstances:

i. The normal course of business

ii. The event of default

iii. The event of insolvency or bankruptcy of the Company and/or its counterparties

C. STATEMENT OF COMPLIANCE

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 and the other relevant provisions of the Act. The Company has uniformly applied the accounting policies for all the periods presented in these financial statements.

The Financial statements for the year ended 31 March, 2025, have been prepared in accordance with Ind AS and other applicable guidelines issued by the Reserve Bank of India ('RBI'). The financial statements for the

year were authorized and approved for issue by the Board of Directors on 23 May, 2025.

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities which are measured at fair values, and employee benefit plans which are measured using actuarial valuation, as explained in relevant accounting policies.

D. MATERIAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

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

In particular, information about Material areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

i. Business model assessment

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

ii. Defined employee benefit assets and liabilities

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

iii. Impairment of loans portfolio

The measurement of impairment losses across all categories of financial assets requires judgement the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by several factors, changes in which can result in different levels of allowances.

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

iv. Liabilities and provisions other than impairment on loan portfolio

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

v. Effective Interest Rate (EIR) method

The Company's EIR methodology, recognizes interest income/ expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioral life of loans given/ taken and recognizes the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behavior and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/ expense that are integral parts of the instrument.

vi. Other estimates:

These include contingent liabilities, useful lives of tangible and intangible assets, fair value of financial instruments, provision for expenses etc.

3. MATERIAL ACCOUNTING POLICIES

The financial statements have been prepared using the material accounting policies and measurement basis summarized as below. These policies are applied consistently for all the periods presented in the financial statements, except where the Company has applied certain accounting policies and exemptions upon transition to Ind AS.

3.1 Financial Instruments

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs. Subsequent measurement of financial assets and financial liabilities is described below.

i. Financial assets measured at amortized cost

A financial asset is measured at the amortized cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in interest income in the Statement of Profit and Loss.

ii. Financial assets are measured at FVTOCI (Fair value through other comprehensive income)

A financial asset is measured at the FVTOCI if both the following conditions are met:

a) The instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets

b) The contractual terms of the financial asset meet the SPPI test

FVTOCI debt instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognized in OCI. Interest income is recognized in the statement of profit or loss in the same manner as for financial assets measured at amortized cost.

iii. Financial assets measured at FVTPL (Fair value through profit and loss)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL, with all changes recognized in the P&L.

iv. Investments in mutual funds, Government securities, Commercial Papers etc.

The Company measures financial instruments, such as, investments at fair value at each balance sheet date.

De-recognition of financial assets:

Financial assets (or where applicable, a part of financial asset or part of a group of similar financial assets) are derecognized (i.e. removed from the Company's balance sheet) when the contractual rights to receive the cash flows from

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. Further, if the Company has not retained control, it shall also de-recognize the financial asset and recognize separately as assets or liabilities any rights and obligations created or retained in the transfer.

De-recognition of financial liabilities

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

Compound financial instruments

Convertible instruments are separated into liability and equity components based on the terms of the contract. On issuance of the said instruments, the liability component is arrived by discounting the gross sum (including redemption premium, if any) at a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortized cost until it is extinguished on conversion or redemption. The remainder of the proceeds is recognized as equity component of compound financial instrument. This is recognized and included in shareholders' equity, net of income tax effects, and not subsequently re-measured.

Off-setting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

v. Impairment of financial assets

Overview of the Expected Credit Loss (ECL) principles

The Company records allowance for expected credit losses for all loans referred to as 'financial instruments'.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss).

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both Lifetime ECLs and 12-month ECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.

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

The Company will upgrade NPA assets to Standard assets only when the entire arrears of interest and principal is collected (by virtue of Para 14.4.5 i.e. Asset classification norms from RBI Master Direction (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, dated 19 October, 2023). All these loans will be categorized as Stage 3 irrespective of DPD.

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

Stage 1

All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The Company classifies all standard advances and advances upto 30 days default under this category. Stage 1 loans also include facilities

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

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where the credit risk has improved and the loan has been reclassified from Stage 2.

Stage 2

All exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired are classified under this stage. 30 Days Past Due is considered as significant increase in credit risk.

Stage 3

All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified in this stage. For exposures that have become credit impaired, a lifetime ECL is recognized and interest revenue is calculated by applying the effective interest rate to the amortized cost (net of provision) rather than the gross carrying amount. 90 Days Past Due is considered as default for classifying a financial instrument as credit impaired. If an event (for eg. any natural calamity) warrants a provision higher than as mandated under ECL methodology, the Company may classify the financial asset in Stage 3 accordingly.

Credit-impaired financial assets:

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

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

i. Significant financial difficulty of the borrower or issuer;

ii. A breach of contract such as a default or past due event;

iii. The restructuring of a loan or advance by the Company on terms that the company would not consider otherwise;

iv. It is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or

v. The disappearance of an active market for a security because of financial difficulties.

The mechanics of ECL:

The Company calculates ECLs based on probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to the Company in accordance with the contract and the cash flows that the Company expects to receive.

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

Probability of Default (PD) - The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognized and is still in the portfolio. The concept of PD is further explained in Note 45.1.5.

Exposure at Default (EAD) - The Exposure at Default is an estimate of the exposure at a future default date. The concept of EAD is further explained in Note 45.1.5.

Loss Given Default (LGD) - The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive, including from the realization of any collateral. It is usually expressed as a percentage of the EAD. The concept of LGD is further explained in Note 45.1.5.

Forward looking information

While estimating the expected credit losses, the Company reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the Company analyses if there is any relationship between key economic trends like GDP, unemployment rates, benchmark rates set by the Reserve Bank of India, inflation etc. with the estimate of PD, LGD determined by the Company based on its internal data.

vi. Write-offs

The Company reduces the gross carrying amount of a financial asset when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

vii. Determination of fair value

The Company measures financial instruments, such as, investments at fair value at each balance sheet date.

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

i. In the principal market for the asset or liability, or

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

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

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

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

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

The financial instruments are classified based on a hierarchy of valuation techniques, as summarized below:

Level 1 financial instruments – Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date.

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

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

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

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

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The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. No such instances of transfers between levels of the fair value hierarchy were recorded during the reporting period.

viii. Assignment and Co-lending akin to assignment transaction

In accordance with Ind AS 109, in case of assignment where the Company transfers a substantial part of a financial asset;

- by transferring the contractual rights to receive the cash flows of the assigned portion of the financial asset; and
- by transferring substantially all the risks and rewards of the ownership of the assigned portion of the financial asset

The gain / loss arising on such transfer, being the present value of excess / deficit interest spread (net interest receivable by the Company on the proportion of loan assets transferred, is recognized upfront in the Statement of Profit and Loss and the proportionate portion of the financial asset transferred is derecognized from the statement of assets and liabilities (Balance Sheet) immediately.

3.2 Revenue from operations

i. Recognition of interest income

Interest income for all financial instruments measured either at amortized cost or at fair value through other comprehensive income, is recognized by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial assets other than credit-impaired assets and financial assets classified as measured at FVTPL.

The EIR in case of a financial asset is computed:

a. As the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.

b. By considering all the contractual terms of the financial instrument in estimating the cash flows.

c. Including all fees received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

ii. Fees & Commission Income

Revenue from contract with customer for rendering services is recognized at a point in time when performance obligation is satisfied.

iii. Income from assignment transactions

Income from assignment transactions i.e. present value of excess interest spread is recognized when the related loan assets are de-recognized.

iv. Recoveries of financial assets written off

The Company recognizes income on recoveries of financial assets written off on realization.

v. Miscellaneous income

All other income is recognized on an accrual basis, when there is no uncertainty in the ultimate realization/collection.

3.3 Expenses

i. Finance costs

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

The EIR in case of a financial liability is computed:

a. As the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of the amortized cost of a financial liability.

b. By considering all the contractual terms of the financial instrument in estimating the cash flows.

c. Including all fees paid between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

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

Interest expense includes issue costs that are initially recognized as part of the carrying value

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of the financial liability and amortized over the expected life using the effective interest method. These include fees and commissions payable to advisers and other expenses such as external legal costs, rating fee etc, provided these are incremental costs that are directly related to the issue of a financial liability.

ii. Retirement and other employee benefits

Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized as an expense during the period. Benefits such as salaries and wages, etc. and the expected cost of the bonus/ex-gratia are recognized in the period in which the employee renders the related service.

Post-employment employee benefits

a) Defined contribution schemes

All the employees of the Company are entitled to receive benefits under the Provident Fund and Employees State Insurance scheme, defined contribution plans in which both the employee and the Company contribute monthly at a stipulated rate. The Company has no liability for future benefits other than its annual contribution and recognizes such contributions as an expense in the period in which employee renders the related service. If the contribution payable to the scheme for service received before the Balance Sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the Balance Sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

b) Defined Benefit schemes Gratuity

The Company provides for gratuity covering eligible employees under which a lump sum payment is paid to vested employees at retirement, death, incapacitation or termination of employment, of an amount reckoned on the respective employee's salary and his tenor of employment with the Company. The Company accounts for its liability for future gratuity benefits based on actuarial valuation determined at each Balance Sheet date by an Independent Actuary using Projected Unit Credit Method.

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

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

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

Other long-term employee benefits

Company's liabilities towards compensated absences to employees are accrued on the basis of valuations, as at the Balance Sheet date, carried out by an independent actuary using Projected Unit Credit Method. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the Statement of Profit and Loss.

The Company presents the provision for compensated absences under provisions in the Balance Sheet.

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iii. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

iv. Other income and expenses

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

v. Impairment of non-financial assets

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

vi. Taxes

Current tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax assets and liabilities are recognized for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are only recognized for temporary differences, unused tax losses and unused tax credits if it is probable that future taxable amounts will arise to utilize those temporary differences and losses. 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 realized.

3.4 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.

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3.5 Property, plant and equipment

Property, plant and equipment (PPE) are measured at cost less accumulated depreciation and accumulated impairment, (if any). The total cost of assets comprises its purchase price, freight, duties, taxes and any other incidental expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. Changes in the expected useful life are accounted for by changing the amortization period or methodology, as appropriate, and treated as changes in accounting estimates.

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

Depreciation and amortization

Depreciation on property, plant & equipment have been provided on the straight-line method as prescribed in Schedule II of Companies Act, 2013 or the rates determined by the management as per estimated useful life of the Assets, whichever is higher. From FY 2023-24 the method of depreciation has been changed from written down value to straight line method on a prospective basis as the change in method of depreciation is considered as change in accounting estimate as per Ind AS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”. All individual assets (other than furniture and fixtures and office equipments) valued less than ₹ 5000 are depreciated in full in the year of acquisition. The useful life of the assets are as follows:

Property, plant and equipment:

Sl. No.	Asset	Useful Life (In Years)
1.	Furniture and fixtures	10
2.	Computer and peripherals	3
3.	Office equipment	5
4.	Motor vehicles	
	- Motor car	8
	- Motor bikes	10
5.	Electrical equipment	10

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

Property plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in other income / expense in the statement of profit and loss in the year the asset is derecognized. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

3.6 Intangible assets

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

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

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

The company is amortizing computer software on straight line method over a period of 3 years.

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

3.7 Provisions

Provisions are recognized when the enterprise has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

When the effect of the time value of money is material, the enterprise determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

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3.8 Contingent liabilities

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

3.9 Earnings per share

The Company calculates basic earnings per share by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

3.10 Statement of cash flows

Cash flows are reported using indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Company are segregated.

3.11 Segment reporting

The Company is primarily engaged in the business of financing and as such no separate information is required to be furnished in terms of Ind AS 108 "Operating segments" specified under section 133 of the Companies Act, 2013.

3.12 Share based payments

a) The fair value of options granted under the Employee stock option plan (Provided by the erstwhile Ultimate Holding Company (i.e. Navi technologies limited upto 23 November, 2023) is recognised as an employee benefit expenses in the Statement of Profit and Loss based on estimated fair-value of the options on the grant date. The total amount to be expensed is determined by reference to the fair value of the options granted:

a. including any market performance conditions

b. excluding the impact of any service and non-market performance vesting conditions

c. including the impact of any non-vesting conditions

If the options vest in instalments (i.e. the options vest pro-rata over the service period), then each instalment is treated as a separate share option grant because each instalment has a different vesting period.

b) The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in the Statement of Profit and Loss.

c) As mentioned in the paragraph 3 of Note 1 of these financial statements, the Company became a subsidiary of Svatantra Microfin Private Limited ('SMPL') with effect from 23 November, 2023 consequent to SMPL acquiring the entire equity shares of the Company from Navi Technologies Limited (the erstwhile Ultimate Holding Company) and Navi Finserv Limited (the erstwhile Holding Company). Hence the Erstwhile Ultimate Holding Company has done a cash settlement of all the graded vesting units to all the employees.

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4 CASH AND CASH EQUIVALENTS

Particulars	As at 31 March, 2025	As at 31 March, 2024
Cash on hand	58.89	0.85
Balances with banks		
- Balance with banks in current accounts	27,167.33	32,402.55
Total	**27,226.22**	**32,403.40**

5 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at 31 March, 2025	As at 31 March, 2024
Deposits for maturity of more than 3 months and upto 12 months	7.30	425.64
Deposits with remaining maturity more than 12 months	1,406.50	-
Balance with banks to the extent held as margin money deposits against borrowings	4,059.18	3,916.95
Total	**5,472.98**	**4,342.59**

6 TRADE RECEIVABLES (AT AMORTISED COST)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Receivables considered good- unsecured	326.92	317.12
Total	**326.92**	**317.12**
Less: Impairment loss allowance	-	-
Total	**326.92**	**317.12**

The Company does not have any receivables which are either credit impaired or where there is significant increase in credit risk.

*Receivables considered good are expected to be realised within one year.

6.1 Trade receivables

Particulars	As at 31 March, 2025					
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	291.58	-	34.80	-	0.54	326.92
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
(vii) Other receivables – considered good		-		-		-

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6 TRADE RECEIVABLES (AT AMORTISED COST) (CONTD.)

Note 6.2 Trade receivables

Particulars	As at 31 March, 2024					
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	316.58	-	-	0.54	-	317.12
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
(vii) Other receivables – considered good		-	-	-	-	-

7 LOANS

Particulars	As at 31 March, 2025			As at 31 March, 2024		
	Amortised cost	At fair value through OCI	Total	Amortised cost	At fair value through OCI	Total
Term loans						
i) Secured by Tangible Assets						
Secured - Mortgage housing loans	0.64	-	0.64	120.44	-	120.44
Secured - Small Business Loans	-	-	-	5.02	-	5.02
Secured - Livestock Loan	-	-	-	23.52	-	23.52
ii) Unsecured Loan				-		
Unsecured - Retails	1,809.04	-	1,809.04	1,017.87	-	1,017.87
Unsecured - Joint liability loans	6,49,624.67	-	6,49,624.67	4,67,706.86	56,235.57	5,23,942.43
Total (A) - Gross	**6,51,434.35**	**-**	**6,51,434.35**	**4,68,873.71**	**56,235.57**	**5,25,109.28**
Less : Impairment loss allowance	(24,400.14)	-	(24,400.14)	(11,084.02)	(1,139.32)	(12,223.34)
Total (A) - Net	**6,27,034.21**	**-**	**6,27,034.21**	**4,57,789.69**	**55,096.25**	**5,12,885.94**
Others - Loans to employees						
Unsecured	68.67	-	68.67	59.99	-	59.99
Total (B) - Gross	**68.67**	**-**	**68.67**	**59.99**	**-**	**59.99**
Less : Impairment loss allowance	(4.91)	-	(4.91)	(0.76)	-	(0.76)
Total (B) - Net	**63.76**	**-**	**63.76**	**59.23**	**-**	**59.23**
Total loans (A+B) - Net	**6,27,097.97**	**-**	**6,27,097.97**	**4,57,848.92**	**55,096.25**	**5,12,945.17**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

7 LOANS (CONTD.)

Particulars	As at 31 March, 2025			As at 31 March, 2024		
	Amortised cost	At fair value through OCI	Total	Amortised cost	At fair value through OCI	Total
Loans in India						
Public sector	-	-	-	-	-	-
Others	6,51,503.02	-	6,51,503.02	4,68,933.70	56,235.57	5,25,169.27
Total - Gross	**6,51,503.02**	**-**	**6,51,503.02**	**4,68,933.70**	**56,235.57**	**5,25,169.27**
Less : Impairment loss allowance	(24,405.05)	-	(24,405.05)	(11,084.78)	(1,139.32)	(12,224.10)
Total - Net	**6,27,097.97**	**-**	**6,27,097.97**	**4,57,848.92**	**55,096.25**	**5,12,945.17**

During the year, based on internal business model assessment in accordance with requirement of Ind AS 109, the Company has reclassified loans at fair value through other comprehensive income to amortised cost. Accordingly ₹ 148.5 Lacs has been transferred from other comprehensive income to the loan portfolio as per the Ind AS 109.

Credit quality of assets

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Company's internal grading system are explained in note 45.1 Credit Risk (Impairment assessment).

	As at 31 March, 2025				As at 31 March, 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Internal rating grade								
Performing								
Standard grade - No over due	6,26,146.02	-	-	6,26,146.02	5,21,676.16	-	-	5,21,676.16
Standard grade - DPD 1 to 30	5,841.64	407.99	-	6,249.63	1,072.80	-	-	1,072.80
Standard grade - DPD 31 to 60	-	5,980.58	-	5,980.58	-	482.73	-	482.73
Standard grade - DPD 61 to 90	-	3,019.72	-	3,019.72	-	389.30	-	389.30
Non- performing								
Sub-standard grade*	-	-	10,107.07	10,107.07	-	-	1,548.28	1,548.28
Total	**6,31,987.66**	**9,408.29**	**10,107.07**	**6,51,503.02**	**5,22,748.96**	**872.03**	**1,548.28**	**5,25,169.27**

* Generally loans with DPD more than 90 days are considered as substandard grade. Loans classified as non performing as per IRAC norms or multiple loan by single non- performing customer has been considered as Sub-standard grade irrespective of DPD.

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to Portfolio loans is, as follows:

	As at 31 March, 2025				As at 31 March, 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount -opening balance	5,22,748.96	872.03	1,548.28	5,25,169.27	3,82,640.10	342.30	1,072.20	3,84,054.60
New assets originated*	5,15,881.31	-	-	5,15,881.31	4,52,438.19	-	-	4,52,438.19
Movement between stages								
Transferring from Stage 1	(26,490.68)	9,407.37	17,083.31	-	(3,226.64)	871.48	2,355.16	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

7 LOANS (CONTD.)

	As at 31 March, 2025				As at 31 March, 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Transferring from Stage 2	0.46	(762.34)	761.88	-	0.35	(175.37)	175.02	-
Transferring from Stage 3	0.62	0.60	(1.22)	-	2.50	0.01	(2.51)	-
Assets repaid and derecognized	(3,80,153.01)	(109.37)	(62.04)	(3,80,324.42)	(3,09,105.54)	(166.39)	(393.42)	(3,09,665.35)
Write-off	-	-	(9,223.14)	(9,223.14)	-	-	(1,658.17)	(1,658.17)
Gross carrying amount- closing balance	**6,31,987.66**	**9,408.29**	**10,107.07**	**6,51,503.02**	**5,22,748.96**	**872.03**	**1,548.28**	**5,25,169.27**

* New assets originated is presented net of collections made during the year

Note : The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are - (a) repayable on demand or (b) without specifying any terms or period of repayment.

Reconciliation of ECL balance is given below:

Particulars	As at 31 March, 2025				As at 31 March, 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Impairment allowance - opening balance	10,515.78	392.50	1,315.82	12,224.10	4,948.31	146.01	897.90	5,992.22
Movement between stages								
Transfers from Stage 1	(325.83)	115.71	210.12	-	(39.69)	10.72	28.97	-
Transfers from Stage 2	0.22	(370.50)	370.28	-	0.16	(78.37)	78.21	-
Transfers from Stage 3	0.50	0.49	(0.99)	-	2.03	0.01	(2.04)	-
Additional provision created during the year, Assets repaid and derecognized	1,523.73	4,266.88	15,613.48	21,404.09	5,604.97	314.13	1,970.95	7,890.05
Write-off	-	-	(9,223.14)	(9,223.14)	-	-	(1,658.17)	(1,658.17)
Impairment allowance - closing balance	11,714.40	4,405.08	8,285.57	24,405.05	10,515.78	392.50	1,315.82	12,224.10

* New assets originated is presented net of collections made during the year

8 INVESTMENTS

Particulars	As at 31 March, 2025	As at 31 March, 2024
Investments at fair value through P&L	13,001.63	11,559.93
Total Gross (A)	**13,001.63**	**11,559.93**
i) Investments outside India	-	-
ii) Investments in India	13,001.63	11,559.93
Total Gross (B)	**13,001.63**	**11,559.93**
Less : Allowance for impairment loss (C)	-	-
Net - D = (A) - (C)	**13,001.63**	**11,559.93**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)
(All amounts in ₹ Lacs unless otherwise stated)

8 INVESTMENTS (CONTD.)

a) Investments in Securities (Designated at fair value through profit or loss)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Repo instruments	8,004.17	4,999.44
G- Sec	-	5,618.36
Treasury bills	-	942.13
Certificate of deposits	4,997.46	-
Net	**13,001.63**	**11,559.93**

9 OTHER FINANCIAL ASSETS (UNSECURED, CONSIDERED GOOD)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Security deposits*	2,828.08	2,808.02
Insurance recoverable	122.86	135.68
EIS receivable on assignment and co-lending	5,990.98	7,952.54
Advance payment against borrowings	1.86	178.23
Other recoverables	1,214.14	238.23
Gross total	**10,157.92**	**11,312.70**
Less : Impairment Loss	(348.74)	(170.58)
Net total	**9,809.18**	**11,142.12**

*Including deposits given as margin money against borrowings from financial institutions

Movement of impairment loss

Particulars	As at 31 March, 2025	As at 31 March, 2024
Opening balance	(170.58)	(267.16)
Addition/ Utilization:		
Impairment on insurance recoverable	19.75	96.58
Impairment on EIS receivable	(197.91)	-
Total	**(348.74)**	**(170.58)**

10 DEFERRED TAX ASSETS (NET)

Particulars	As at 31 March, 2025	As at 31 March, 2024
(A) Deferred tax assets		
Provision for employee benefits & other payables	583.13	400.59
Difference in written down value as per books and Income Tax Act	28.33	38.84
Impairment allowance for loans	5,461.09	2,532.50
Impairment allowance for other receivables	40.99	45.96
Financial assets measured at amortised cost	1,238.58	1,034.69
Impact of lease liability and ROU asset	14.78	-
Others	-	7.06
Total deferred tax assets	**7,366.90**	**4,059.64**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

10 DEFERRED TAX ASSETS (NET) (CONTD.)

Particulars	As at 31 March, 2025	As at 31 March, 2024
(B) Deferred tax liabilities		
Financial liabilities measured at amortised cost	449.45	766.56
Deferment of upfront EIS and servicing obligation recorded for assignment	1,458.00	2,001.50
Fair value change of loans through other comprehensive income	-	37.38
Impact of lease liability and ROU asset	-	0.11
Others	0.99	0.99
Total deferred tax liabilities	**1,908.44**	**2,806.54**
Net deferred tax asset	**5,458.46**	**1,253.10**

(i) Movement in deferred tax assets (net)

Particulars	Balance as at 01 April, 2024	(Charged)/ credited to statement of profit and loss	(Charged)/ credited to other comprehensive income	Charged to other equity	As at 31 March, 2025
(A) Deferred tax assets					
Provision for employee benefits	400.59	176.86	5.68	-	583.13
Difference in written down value as per Companies Act and Income Tax Act	38.84	(10.51)	-	-	28.33
Impairment allowance for loans	2,532.50	2,928.59	-	-	5,461.09
Impairment allowance for other receivables	45.96	(4.97)	-	-	40.99
Financial assets measured at amortised cost	1,034.69	203.89	-	-	1,238.58
Impact of lease liability and ROU asset	-	14.78	-	-	14.78
Others	7.06	(7.06)	-	-	-
Total deferred tax assets	**4,059.64**	**3,301.58**	**5.68**	**-**	**7,366.90**
(B) Deferred tax liabilities					
Financial liabilities measured at amortized cost	766.56	(317.11)	-	-	449.45
Deferment of upfront EIS and servicing obligation recorded for assignment	2,001.50	(543.50)	-	-	1,458.00
Fair value change of loans through other comprehensive income	37.38	-	(37.38)	-	-
Impact of lease liability and ROU asset	0.11	(0.11)			-
Others	0.99	-	-	-	0.99
Total deferred tax liabilities	**2,806.54**	**(860.72)**	**(37.38)**	**-**	**1,908.44**
Net deferred tax asset	**1,253.10**	**4,162.30**	**43.06**	**-**	**5,458.46**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

10 DEFERRED TAX ASSETS (NET) (CONTD.)

(i) Movement in deferred tax assets (net)

Particulars	Balance as at 01 April, 2023	(Charged)/ credited to statement of profit and loss	(Charged)/ credited to other comprehensive income	Charged to equity	As at 31 March, 2024
(A) Deferred tax assets					
Provision for employee benefits	276.30	122.76	1.53	-	400.59
Difference in written down value as per Companies Act and Income Tax Act	80.10	(41.26)	-	-	38.84
Impairment allowance for loans	1,252.30	1,280.20	-	-	2,532.50
Impairment allowance for other receivables	71.30	(25.34)	-	-	45.96
Financial assets measured at amortized cost	892.79	141.90	-	-	1,034.69
Others	-	7.06	-	-	7.06
Total deferred tax assets	**2,572.79**	**1,485.32**	**1.53**	**-**	**4,059.64**
(B) Deferred tax liabilities					
Financial liabilities measured at amortized cost	554.60	212.11	-	-	766.56
Deferment of upfront EIS and servicing obligation recorded for assignment	1,141.20	860.30	-	-	2,001.50
Fair value change of loans through other comprehensive income	(7.06)	-	44.44	-	37.38
Impact of lease liability and ROU asset	(6.50)	6.61			0.11
Others	0.99	-	-	-	0.99
Total deferred tax liabilities	**1,683.23**	**1,079.02**	**44.44**	**-**	**2,806.54**
Net deferred tax asset	**889.56**	**406.30**	**(42.91)**	**-**	**1,253.10**

11 PROPERTY, PLANT AND EQUIPMENT

Particulars	Computer and accessories	Furniture and fixtures	Vehicles	Electrical equipment	Office equipment	Total
As at 01 April, 2023	**1,275.95**	**984.45**	**0.99**	**198.33**	**239.67**	**2,699.39**
Additions	665.40	210.62	-	75.84	64.74	1,016.60
Adjustments/ regrouping	-	-	-	-	-	-
Reversal on disposal of assets	5.46	20.78	-	1.11	1.31	28.66
As at 31 March, 2024	**1,935.89**	**1,174.29**	**0.99**	**273.06**	**303.10**	**3,687.33**
Additions	342.71	230.40	-	98.95	86.10	758.16
Adjustments/ regrouping	-	-	-	-	-	-
Reversal on disposal of assets	144.14	2.09	-	7.16	0.27	153.66
As at 31 March, 2025	**2,134.46**	**1,402.60**	**0.99**	**364.85**	**388.93**	**4,291.83**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

11 PROPERTY, PLANT AND EQUIPMENT (CONTD.)

Particulars	Computer and accessories	Furniture and fixtures	Vehicles	Electrical equipment	Office equipment	Total
Accumulated depreciation and impairment						
As at 01 April, 2023	**778.42**	**346.03**	**0.87**	**66.12**	**83.26**	**1,274.70**
Charge for the year	294.53	75.95	0.02	17.58	40.58	428.66
Adjustments/ regrouping	-	-	-	-	-	-
Reversal on disposal of assets	4.93	16.29	-	0.88	1.13	23.23
As at 31 March, 2024	**1,068.02**	**405.69**	**0.89**	**82.82**	**122.71**	**1,680.13**
Charge for the year	449.85	104.04	0.02	26.63	54.25	634.79
Adjustments/ regrouping	-	-	-	-	-	-
Reversal on disposal of assets	137.53	1.76	-	5.96	0.20	145.45
As at 31 March, 2025	**1,380.34**	**507.97**	**0.91**	**103.49**	**176.76**	**2,169.47**
Net carrying amount as at 31 March, 2025	**754.12**	**894.63**	**0.08**	**261.36**	**212.17**	**2,122.36**
Net carrying amount as at 31 March, 2024	**867.87**	**768.60**	**0.10**	**190.24**	**180.39**	**2,007.20**

12 CARRYING VALUE OF RIGHT OF USE ASSETS AT THE END OF THE REPORTING YEAR BY CLASS PREMISES

Particulars	As at 31 March, 2025	As at 31 March, 2024
Opening value of right of use assets	635.15	529.28
Addition to lease assets during the year	-	726.14
Termination of lease	-	(457.39)
Less: Amortization for the year	(171.66)	(162.88)
Closing value of right of use assets	**463.49**	**635.15**

13 OTHER INTANGIBLE ASSETS

Particulars	Computer software
Gross block	
As at 01 April, 2023	**313.12**
Additions	321.46
Reversal on disposal of assets	-
As at 31 March, 2024	**634.58**
Additions	104.71
Reversal on disposal of assets	-
As at 31 March, 2025	**739.29**
Accumulated amortization and impairment:	
As at 01 April, 2023	**144.52**
Charge for the year	131.93
Reversal on disposal of assets	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

13 OTHER INTANGIBLE ASSETS (CONTD.)

Particulars	Computer software
As at 31 March, 2024	**276.45**
Charge for the year	174.79
Reversal on disposal of assets	-
As at 31 March, 2025	**451.24**
Net carrying amount as at 31 March, 2025	**288.05**
Net carrying amount as at 31 March, 2024	**358.13**

13.1 Intangible assets under development (IAUD)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Opening	-	-
Addition (net)	97.04	-
Deletion/Capitalization	-	-
Closing value of IAUD	**97.04**	**-**

Ageing Schedule

IAUD	Less Than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	97.04	-	-	-	97.04

14 OTHER NON-FINANCIAL ASSETS

Particulars	As at 31 March, 2025	As at 31 March, 2024
Prepaid expenses	3,946.26	3,098.05
Advance to suppliers and others	336.75	402.90
Advance to staff	39.42	53.14
Balance lying with statutory authorities	358.41	361.80
Total	**4,680.84**	**3,915.89**

15 TRADE PAYABLES

Particulars	As at 31 March, 2025	As at 31 March, 2024
Total outstanding dues of micro enterprises and small enterprises (refer note 72)	13.38	3.82
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,371.08	884.61
Total	**1,384.46**	**888.43**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

15 TRADE PAYABLES (CONTD.)

15.1 Trade payables ageing is as follows:

Particulars	As at 31 March, 2025					
	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	13.38	-	-	-	-	13.38
(ii) Others	221.50	1,144.67	3.50	0.88	0.53	1,371.08
(iii) Disputed dues- MSME		-	-	-	-	-
(iv) Disputed dues- others		-	-	-	-	-

Particulars	As at 31 March, 2024					
	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	3.82	-	-	-	3.82
(ii) Others	571.88	311.32	0.88	-	0.53	884.61
(iii) Disputed dues- MSME		-	-	-	-	-
(iv) Disputed dues- others		-	-	-	-	-

16 A. Debt securities secured (at amortised cost)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Redeemable non-convertible debentures - Secured and listed	1,658.93	2,482.08
Redeemable non-convertible debentures - Secured and unlisted	-	3,741.12
Total (A)	**1,658.93**	**6,223.20**

Note: The above debentures are secured by the way of first and exclusive charge over specified unsecured microfinance JLG loans of the Company.

B. Debt securities unsecured (at amortised cost)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Redeemable non-convertible debentures - Unsecured and listed	24,139.79	25,603.38
Total (B)	**24,139.79**	**25,603.38**
Total debt securities (A+B)	**25,798.72**	**31,826.58**
Debt securities in India	25,798.72	31,826.58
Total	**25,798.72**	**31,826.58**

For terms refer note no 18.1 & 18.2

17 BORROWINGS (OTHER THAN DEBT SECURITIES) (AT AMORTIZED COST)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Secured		
Term loan from Banks - Secured	4,03,266.38	3,09,815.32
Term loan from Financial Institutions -Secured	63,976.35	84,520.01
Liability against Securitised Assets	12,977.78	-
Total	**4,80,220.51**	**3,94,335.33**

17 BORROWINGS (OTHER THAN DEBT SECURITIES) (AT AMORTIZED COST) (CONTD.)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Borrowings in India	4,80,220.51	3,94,335.33
Borrowings outside India	-	-
Total	**4,80,220.51**	**3,94,335.33**

1) The term loans are secured by unsecured microfinance JLG loans to the extent of minimum 100%-118% of outstanding and deposits given as margin money. The Company assigns the book debts as per the sanction terms. Further in respect of term loans drawn during period of FY 2024-25 having balance as at 31 March, 2025 ₹ 72,354.17 Lacs, the Company will assign the book debts in due course as per the sanction terms.
2) Term loan from bank amounting to ₹ 7,833.33 Lacs has been guaranteed by Asian Development Bank to the extent 50% of the loan.
3) None of the borrowings are guaranteed by directors or others.
4) For terms refer note 18.2

18 SUBORDINATED LIABILITIES (AT AMORTISED COST)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Non-convertible debentures	19,173.19	18,978.20
Term loans	-	1,499.07
Total	**19,173.19**	**20,477.27**
Subordinated debts in India	19,173.19	20,477.27
Subordinated debts outside India	-	-
Total	**19,173.19**	**20,477.27**

For terms refer note 18.1 & 18.2

18.1 Terms of debentures*

Terms of debentures	Number of debentures		Face value in ₹		Amount	
	As at 31 March, 2025	As at 31 March, 2024	As at 31 March, 2025	As at 31 March, 2024	As at 31 March, 2025	As at 31 March, 2024
Secured						
10.10% Rated, Listed, Senior, Secured, Redeemable, Transferable Non-Convertible Debentures dated 10 October, 2023	2,500	2,500	66,667	1,00,000	1,666.67	2,500.00
9.32% Rated, Unlisted, Senior, Secured, Redeemable, Taxable, Transferable, non-convertible debentures dated 30 March, 2021	-	500	-	7,50,000	-	3,750.00
Unsecured						
10.55% Senior Unsecured, Rated, Listed, Transferable, Redeemable, Non-Convertible Debentures dated 30 September, 2023	10,000	10,000	1,00,000	1,00,000	10,000.00	10,000.00

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

18 SUBORDINATED LIABILITIES (AT AMORTISED COST) (CONTD.)

Terms of debentures	Number of debentures		Face value in ₹		Amount	
	As at 31 March, 2025	As at 31 March, 2024	As at 31 March, 2025	As at 31 March, 2024	As at 31 March, 2025	As at 31 March, 2024
10.45% Rated, Listed, Senior, Unsecured, Redeemable, Transferable Non-Convertible Debentures dated 10 October, 2023	2,500	2,500	33,333	1,00,000	833.33	2,500.00
9.75% Senior Unsecured, Rated, Listed, Transferable, Redeemable, Non-Convertible Debentures dated 10 November, 2023	8,500	8,500	1,00,000	1,00,000	8,500.00	8,500.00
12.83% Senior Unsecured, Rated, Listed, Transferable, Redeemable, Non-Convertible Debentures dated 28 July, 2022	500	500	10,00,000	10,00,000	5,000.00	5,000.00
Subordinated debts						
12.40% Subordinated, Rated, Unlisted, Unsecured, Redeemable, Taxable, Non-Convertible Debentures dated 21 November, 2022	750	750	5,00,000	5,00,000	3,750.00	3,750.00
12.40% Subordinated, Rated, Unlisted, Unsecured, Redeemable, Taxable, Non-Convertible Debentures dated 21 November, 2022	750	750	5,00,000	5,00,000	3,750.00	3,750.00
12.40% Subordinated, Rated, Listed, Unsecured, Redeemable, Taxable, Non-Convertible Debentures dated 21 February, 2023	12,500	12,500	1,00,000	1,00,000	12,500.00	12,500.00

* The amounts as on 31 March, 2025 and 31 March, 2024 are outstanding amounts denominated at face value of the respective securities.

Note: There were no delays in repayment of borrowings during FY 2024-25 and FY 2023-24.

18.2 Terms of repayment of long term borrowings and debt securities outstanding#

Maturity pattern of debt securities

Original Maturity of loan	Interest rate	Remaining maturity period	As at 31 March, 2025		As at 31 March, 2024	
			No. of instalments	Amount	No. of instalments	Amount
Half yearly repayments	**10%-12%**	**Upto 2 years**	**4**	**1,666.67**	**6**	**3,750.00**
Bullet repayments	8%-10%	Upto 2 years	1	8,500.00	1	8,500.00
	10%-12%	Upto 2 years	2	10,833.33	7	4,166.67
	12%-15%	Upto 2 years	1	5,000.00	3	10,833.33
	12%-15%	2 to 4 years		-	1	5,000.00
Total				**26,000.00**		**32,250.00**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

18 SUBORDINATED LIABILITIES (AT AMORTISED COST) (CONTD.)

Maturity pattern of borrowings (other than debt securities) - [Term loan from Banks]

Original Maturity of loan	Interest rate	Remaining maturity period	As at 31 March, 2025		As at 31 March, 2024	
			No. of instalments	Amount	No. of instalments	Amount
Monthly repayments	**8%-10%**	**Upto 2 years**	**1108**	**2,56,911.24**	**682**	**1,46,739.05**
	8%-10%	2 to 4 years	156	27,128.00	61	5,575.54
	10%-12%	Upto 2 years	187	28,470.59	626	1,28,016.84
	10%-12%	2 to 4 years		-	32	1,916.05
Quarterly repayments	8%-10%	Upto 2 years	11	10,277.78	35	12,636.44
	10%-12%	Upto 2 years	10	4,961.21	32	11,975.00
	8%-10%	2 to 4 years	69	48,183.33		
Half yearly repayments	8%-10%	Upto 2 years	20	27,985.00	1	4,000.00
Total				**4,03,917.15**		**3,10,858.92**

Maturity pattern of borrowings (other than debt securities) - [Term loan from Financial Institutions]

Original Maturity of loan	Interest rate	Remaining maturity period	As at 31 March, 2025		As at 31 March, 2024	
			No. of instalments	Amount	No. of instalments	Amount
Monthly repayments	Below 8%	Upto 2 years		-	24	4,795.56
	8%-10%	Upto 2 years	117	46,578.15	86	36,470.28
	8%-10%	2 to 4 years		-	41	18,289.94
	10%-12%	Upto 2 years		-	16	3,420.26
Quarterly repayments	8%-10%	Upto 2 years	4	960.00	11	2,920.00
	10%-12%	Upto 2 years	3	1,500.00	8	4,000.00
	10%-12%	Upto 2 years		-	2	180.00
Bullet repayment	Below 8%	2 to 4 years	1	15,000.00	1	15,000.00
Total				**64,038.15**		**85,076.04**

Maturity pattern of subordinated liabilities

Original Maturity of loan	Interest rate	Remaining maturity period	As at 31 March, 2025		As at 31 March, 2024	
			No. of instalments	Amount	No. of instalments	Amount
Bullet repayment	12%-14%	2 to 4 years	3	20,000.00		-
	12%-14%	4 to 6 years		-	3	20,000.00
	above 14%	Upto 2 years		-	2	1,500.00
Total				**20,000.00**		**21,500.00**

Maturity pattern of liability against securitised assets

Original Maturity of loan	Interest rate	Remaining maturity period	As at 31 March, 2025		As at 31 March, 2024	
			No. of instalments	Amount	No. of instalments	Amount
Monthly repayments	8%-10%	Upto 2 years	26	12,986.00	-	-
Total				**12,986.00**		**-**

\# All the above mentioned repayments are disclosed at principal outstanding only as per the contractual maturities at gross values.

Interest rates are the rates applicable as at 31 March, 2025 and 31 March, 2024.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

18 SUBORDINATED LIABILITIES (AT AMORTISED COST) (CONTD.)

18.3 Reconciliation of Financing Activity

Particulars	As at 01 April, 2024	Cash flow			Non-cash			As at 31 March, 2025
		Additions	Payment	Lease payments	Interest expenses on lease liability	Upfront fees and amortization	Addition and Termination of Lease	
Debt securities	31,826.58	-	(6,250.00)	-	-	222.14	-	25,798.72
Borrowings (other than debt securities)	3,94,335.33	4,07,299.25	(3,22,255.90)	-	-	841.83	-	4,80,220.51
Subordinated liabilities	20,477.27	-	(1,500.00)	-	-	195.92	-	19,173.19
Lease liability	661.98	-	-	(206.18)	66.43	-	-	522.23
Total liabilities from financial activities	**4,47,301.16**	**4,07,299.25**	**(3,30,005.90)**	**(206.18)**	**66.43**	**1,259.89**	**-**	**5,25,714.65**

Particulars	As at 01 April, 2023	Cash flow			Non-cash			As at 31 March, 2024
		Additions	Payment	Lease payments	Interest expenses on lease liability	Upfront fees and amortization	Addition and Termination of Lease	
Debt securities	15,870.52	23,500.00	(7,150.00)	-	-	(393.94)	-	31,826.58
Borrowings (other than debt securities)	3,10,578.95	3,39,605.63	(2,55,741.87)	-	-	(107.38)	-	3,94,335.33
Subordinated liabilities	20,305.79	-	-	-	-	171.48	-	20,477.27
Lease liability	554.67	-	-	(191.79)	71.71	-	227.39	661.98
Total liabilities from financial activities	**3,47,309.93**	**3,63,105.63**	**(2,62,891.87)**	**(191.79)**	**71.71**	**(329.84)**	**227.39**	**4,47,301.16**

19 OTHER FINANCIAL LIABILITIES

Particulars	As at 31 March, 2025	As at 31 March, 2024
Interest accrued on borrowings	1,186.05	1,390.73
Insurance payables	0.18	3.42
Payable to employees	2,159.36	1,499.89
Payables towards assignment transactions	9,458.51	17,804.14
Total	**12,804.10**	**20,698.18**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

20 CURRENT TAX ASSET/ LIABILITY

Particulars	As at 31 March, 2025	As at 31 March, 2024
Asset		
Income tax pending refund and paid under dispute (Refer Note 40)	117.08	114.35
Total	**117.08**	**114.35**
Liability		
Income tax net of TDS and advance tax	406.97	196.12
Total	**406.97**	**196.12**

21 PROVISIONS

Particulars	As at 31 March, 2025	As at 31 March, 2024
For employee benefits		
Gratuity (Refer note 38)	1,268.13	889.28
Compensated absences (Refer note 38)	1,048.84	702.37
Others		
Other losses	12.04	12.04
Total	**2,329.01**	**1,603.69**

21.1 Movement of Employee Stock Option Plan

Particulars	No. of options 31 March, 2025	No. of options 31 March, 2024
Options outstanding at the beginning of the year	-	36,95,318
Options outstanding at 31 March, 2023 due to stock split	-	36,95,318
Granted during the year	-	-
Lapsed during the year	-	(17,54,797)
Cancelled on account of acquisition by SMPL	-	(19,40,521)
Options outstanding at the end of the year	**-**	**-**

22 OTHER NON-FINANCIAL LIABILITIES

Particulars	As at 31 March, 2025	As at 31 March, 2024
Statutory dues payable	746.46	676.50
Others	11.96	5.55
Total	**758.42**	**682.05**

23 AUTHORISED SHARE CAPITAL

Particulars	As at 31 March, 2025	As at 31 March, 2024
25,35,00,000 equity shares of ₹ 10 each (Previous year 25,35,00,000 equity share of ₹ 10 each)	25,350.00	25,350.00
1,80,00,000 preference shares of ₹ 10 each (Previous year 1,80,00,000 preference share of ₹ 10 each)	1,800.00	1,800.00
Total authorised capital	**27,150.00**	**27,150.00**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

23 AUTHORISED SHARE CAPITAL (CONTD.)

Particulars	As at 31 March, 2025	As at 31 March, 2024
EQUITY SHARE CAPITAL		
Issued, subscribed and fully paid up share capital		
Equity shares		
17,97,39,999 equity shares of ₹ 10 each fully paid-up (Previous year 15,76,66,666 equity share of ₹ 10 each)	17,974.00	15,766.67
Total equity share capital	**17,974.00**	**15,766.67**

a. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year

Particulars	Number of shares	Amount
As at 01 April, 2024	**15,76,66,666**	**15,766.67**
Issued during the year	2,20,73,333	2,207.33
As at 31 March, 2025	**17,97,39,999**	**17,974.00**

Particulars	Number of shares	Amount
As at 01 April, 2023	**14,51,66,666**	**14,516.67**
Issued during the year	1,25,00,000	1,250.00
As at 31 March, 2024	**15,76,66,666**	**15,766.67**

b. Terms/ rights attached to equity shares

The Company has only one class of equity shares having face value of ₹ 10 per share. Each equity shareholder is eligible for one vote per share held. Any dividend, if proposed by the Board of Directors, is subject to the approval of shareholders. Dividend declared and paid would be in Indian rupees. In the event of liquidation of the Company, the holders of equity share will be entitled to receive 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.

c. Aggregate number of shares issued for consideration other than cash during the last five years

The Company has not issued shares for consideration other than cash during the last five years.

d. Details of shareholders holding more than 5% equity shares in the Company (Equity shares of ₹ 10 each)

S. No.	Name of the Shareholder	As at 31 March, 2025		As on 31 March, 2024		% Change during the year
		Number of Shares	% of Total Shares	Number of Shares	% of Total Shares	
1	Svatantra Microfin Private Limited and its nominee.	17,97,39,999	100%	15,76,66,666	100%	-

e. Details of shareholding of Promoters

S. No.	Promoter name	As at 31 March, 2025		As on 31 March, 2024		% Change during the year
		Number of Shares	% of Total Shares	Number of Shares	% of Total Shares	
1	Svatantra Microfin Private Limited and its nominee.	17,97,39,999	100%	15,76,66,666	100%	-

f. During the year, the Company has raised ₹ 17,691.77 Lacs by way of issue of 2,20,73,333 shares of face value ₹ 10 at a premium of ₹ 70.15 to holding company, Svatantra Microfin Private Limited by way of right issue.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

23 AUTHORISED SHARE CAPITAL (CONTD.)

g. During the previous year, the Company became a subsidiary of Svatantra Microfin Private Limited ('SMPL') with effect from 23 November, 2023 consequent to SMPL acquiring the entire equity shares of the Company from Navi Technologies Limited (the erstwhile Ultimate Holding Company) and Navi Finserv Limited (the erstwhile Holding Company).

24 OTHER EQUITY

Particulars	As at 31 March, 2025	As at 31 March, 2024
Statutory reserve (Pursuant to Section 45-IC of the RBI Act, 1934)		
Opening balance	10,696.02	4,781.30
Add: Transfer from retained earnings	5,115.28	5,914.72
Closing balance	**15,811.30**	**10,696.02**
Securities premium account		
Opening balance	40,982.83	34,732.83
Add : On issue of equity share	15,484.44	6,250.00
Closing balance	**56,467.27**	**40,982.83**
Debenture redemption reserve		
Opening balance	-	100.00
Add: Transfer from/(to) retained earnings	-	(100.00)
Closing balance	**-**	**-**
Other comprehensive income		
Opening balance	59.29	(68.30)
Add: Transfer from Statement of Profit and Loss on account of :		
- Actuarial loss on retirement benefits	(22.59)	(6.08)
- Fair valuation of loans	(148.51)	176.58
Deferred tax on the above	43.06	(42.91)
Closing balance	**(68.75)**	**59.29**
Retained earnings		
Opening balance	42,119.71	18,061.21
Add : ESOP Reserve	-	299.24
Add : Net profit/(net loss) for the current year	25,576.36	29,573.98
Add / Less: Appropriations		
Transfer to statutory reserve as per Section 45-IC of The RBI Act, 1934	(5,115.28)	(5,914.72)
Transfer to Debenture redemption reserve	-	100.00
Total appropriations	**(5,115.28)**	**(5,814.72)**
Retained earnings	**62,580.79**	**42,119.71**
Total Other equity	**1,34,790.61**	**93,857.85**

Nature and purpose of reserves

Securities premium account: The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Statutory reserve: Every year the Company transfers a sum of not less than twenty per cent of net profit of that year as disclosed in the statement of profit and loss to its Statutory Reserve pursuant to Section 45-IC of the RBI Act, 1934.

Other comprehensive income: Re-measurement of the net defined benefit liability/(asset) comprises actuarial gain and losses and remeasurement of unsecured JLG loans measured under FVTOCI.

Retained earnings: Retained earnings are the profits that the Company has earned till date, less any transfers to statutory reserve and dividend distributions paid to shareholders. The company has not declared or paid any dividend during the year.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

25 INTEREST INCOME

Particulars	On financial assets measured at amortized cost	On financial assets measured at FVTOCI	On financial assets measured at FVTPL	For the year ended 31 March, 2025
Interest income on loans	1,41,391.68	-	-	1,41,391.68
Interest income on deposits	448.05	-	-	448.05
Interest income on Investments	-	-	1,447.90	1,447.90
Total	**1,41,839.73**	**-**	**1,447.90**	**1,43,287.63**

Particulars	On financial assets measured at amortized cost	On financial assets measured at FVTOCI	On financial assets measured at FVTPL	For the year ended 31 March, 2024
Interest income on loans	97,839.99	5,243.06	-	1,03,083.05
Interest income on deposits	198.95	-	-	198.95
Interest income on Investments	-	-	1,907.88	1,907.88
Total	**98,038.94**	**5,243.06**	**1,907.88**	**1,05,189.88**

26 FEES AND COMMISSION INCOME

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Other commission	341.13	278.30
Total	**341.13**	**278.30**

27 NET GAIN ON FAIR VALUE CHANGES

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
(A) Net gain on financial instruments at fair value through profit or loss		
- Investments		
Gain on sale of mutual funds	468.16	772.43
Profit on sale of other investments	180.07	221.32
Gain/ (Loss) on fair valuation of other investments	3.49	(24.74)
Total	**651.72**	**969.01**
Fair value changes:		
- Realised	648.23	993.75
- Unrealized	3.49	(24.74)
Total	**651.72**	**969.01**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

28 NET GAIN ON DERECOGNITION OF FINANCIAL INSTRUMENTS UNDER AMORTIZED COST CATEGORY

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Gain on De-recognition of Loan assets on Direct Assignment	10,864.63	13,174.19
Gain on De-recognition of loan assets on Co-Lending akin to Direct Assignment	-	2,916.33
Total	**10,864.63**	**16,090.52**

29 OTHER OPERATING INCOME

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Bad debt recovered	113.06	271.09
Income from advertisement and promotion	850.01	1,301.88
Insurance claim received	21.05	10.87
Total	**984.12**	**1,583.84**

30 OTHER INCOME

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Payables written Back	46.94	54.34
Notice Period Recovery	-	22.29
Income on lease termination	-	41.37
Miscellaneous income	42.22	2.40
Total	**89.16**	**120.40**

31 FINANCE COSTS (ON FINANCIAL LIABILITIES MEASURED AT AMORTISED COST)

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Interest on debt securities		
- Debentures	5,865.02	4,852.44
Interest on borrowings (other than debt securities)	42,841.90	32,321.89
Interest on subordinated liabilities	1,397.40	2,894.63
Assignment expenses	226.68	870.23
Interest on lease liability	66.43	71.71
Preclosure Charges	127.86	-
Interest on income tax	0.15	18.93
Interest on GST	2.42	2.49
Interest on delay in MSME vendor payment	-	0.08
Total	**50,527.86**	**41,032.40**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

32 IMPAIRMENT OF FINANCIAL ASSETS

Particulars	On financial assets measured at amortised cost	On financial assets measured at FVTOCI	For the year ended 31 March, 2025
Portfolio loans written off	9,223.14	-	9,223.14
Impairment on EIS receivable	197.91	-	197.91
Impairment allowance/(reversal) on portfolio loans	12,180.95	-	12,180.95
Impairment loss allowance on other receivable	(19.75)	-	(19.75)
Other write offs	16.53	-	16.53
Total	**21,598.78**	**-**	**21,598.78**

Particulars	On financial assets measured at amortised cost	On financial assets measured at FVTOCI	For the year ended 31 March, 2024
Portfolio loans written off	1,658.17	-	1,658.17
Impairment on EIS receivable	-	-	-
Impairment allowance/(reversal) on portfolio loans	5,144.63	1,087.25	6,231.88
Impairment loss allowance on other receivable	(96.58)	-	(96.58)
Other write offs	-	-	-
Total	**6,706.22**	**1,087.25**	**7,793.47**

33 EMPLOYEE BENEFITS EXPENSES

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Salaries, other allowance and bonus	26,638.65	18,860.20
Contribution to provident and other funds	2,554.28	1,749.96
Share based payment to employees	-	425.75
Compensated absences	644.79	416.84
Gratuity expenses	451.07	347.73
Staff welfare expenses	1,571.67	1,091.29
Total	**31,860.46**	**22,891.77**

34 DEPRECIATION AND AMORTIZATION EXPENSES

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
On Property, plant and equipment	634.79	428.66
On Intangible assets	174.79	131.93
On Right of use assets	171.66	162.88
Total	**981.24**	**723.47**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

35 OTHER EXPENSES

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Rent	1,862.80	1,305.18
Electricity and Water charges	373.61	250.11
Rates and taxes	135.37	68.69
Repairs and maintenance	39.52	23.91
Communication costs	881.03	571.87
Printing and stationery	713.05	906.25
Human Resource Mangement Expenses	1,662.94	1,261.44
Directors' sitting fees	18.04	55.37
Auditor's fees and expenses*	50.03	49.24
Legal and professional charges	893.76	638.11
Travelling and conveyance	5,437.45	4,024.36
Other administrative expenses	680.39	491.35
Advertisement and publicity	23.03	14.38
Insurance	46.88	43.79
Bank Charges	10.36	10.20
Software Expenses	4,165.56	2,964.39
Corporate Social Responsibility expense (Refer note 47)	435.22	217.95
Total	**17,429.04**	**12,896.59**

***Auditor's fees and expenses comprises of:**

As Auditor:*		
- Audit fees (including fees for limited review)	35.43	32.70
- Tax audit fees	3.82	3.27
- Special Purpose audit	5.45	4.91
- Out of pocket expenses	2.50	5.44
In any other manner:*	-	-
- Certification	2.83	2.92

Note: Amount disclosed above are inclusive of GST expensed out.

Includes ₹ 9.76 Lacs paid to predecessor auditor

36 TAX EXPENSE

The components of income tax expense for the year ended 31 March, 2025 and 31 March, 2024 are:

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Current tax	12,406.95	9,726.57
Deferred tax relating to origination and reversal of temporary differences	(4,162.30)	(406.30)
Tax expense reported in the Statement of Profit and Loss	**8,244.65**	**9,320.27**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

36 TAX EXPENSE (CONTD.)

Reconciliation of the total tax charge:

The major components of tax expense and its reconciliation to expected tax expense based on the enacted tax rate applicable to the Company is 25.17% and the reported tax expense in statement of profit and loss are as follows:

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Accounting profit before tax	**33,821.01**	**38,894.25**
Income tax rate	25.17%	25.17%
Expected tax expense	8,512.06	9,788.90
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense		
Tax impact of expenses not allowed for tax deduction	778.34	134.96
Tax impact on deductions allowed under income tax	(1,047.89)	(610.57)
Others	2.14	6.98
Income tax expense reported in the statement of profit and loss	**8,244.65**	**9,320.27**

37 EARNINGS PER SHARE

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Net profit for the year for basic and diluted earnings per share	**25,576.36**	**29,573.98**
Nominal value of equity share (in ₹)	10.00	10.00
Weighted-average number of equity shares for basis and diluted earnings per share	**16,40,16,529**	**15,50,71,038**
Basic earnings per equity share (in ₹)	15.59	19.07
Diluted earnings per equity share (in ₹)	15.59	19.07

38 RETIREMENT BENEFIT PLAN

Defined contribution plan

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund and other funds which are defined contribution plans. The Company has no obligations other than this to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognized ₹ 2,035.71 Lacs for the year ended 31 March, 2025 (31 March, 2024: ₹ 1,394.11 Lacs) for Provident Fund contributions and ₹ 494.62 Lacs for the year ended 31 March, 2025 (31 March, 2024: ₹ 335.53 Lacs) for Employee State Insurance Scheme contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the Schemes.

Defined benefit plan

The Company provides for the gratuity, a defined benefit retirement plan covering qualifying employees. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by the number of years of service. The gratuity is an unfunded plan for the Company.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

38 RETIREMENT BENEFIT PLAN (CONTD.)

Employee benefit obligations

Balance recognised in the balance sheet is as under:

Particulars	As at 31 March, 2025	As at 31 March, 2024
Gratuity	1,268.13	889.28
Compensated absences	1,048.84	702.37

Expense recognised in Statement of profit and loss is as under:

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Gratuity	451.07	347.73
Compensated absences	644.79	416.84

Expense recognised through OCI is as under:

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Gratuity	22.59	6.08

Disclosure for gratuity

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Components of net gratuity cost charged to Statement of profit and loss		
Current service cost	390.21	306.45
Interest expense	60.86	41.28
Transfer out	-	-
Actuarial loss/(gain) recognised during the year	22.59	6.08
Total	**473.66**	**353.81**

Movement in the present value of defined benefit obligation recognised in the balance sheet	For the year ended0 31 March, 2025	For the year ended 31 March, 2024
Present value of defined benefit obligation at the beginning of the year	889.28	606.35
Current service cost	390.21	306.45
Interest cost	60.86	41.28
Past service cost	-	-
Benefits paid	(94.81)	(70.88)
Actuarial (gain)/ loss	22.59	6.08
Defined benefit obligation at the end of the year	**1,268.13**	**889.28**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

38 RETIREMENT BENEFIT PLAN (CONTD.)

Reconciliation of present value of defined benefit obligation and the fair value of assets:

Description	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Present value of funded obligation as at the end of the year	1,268.13	889.28
(Unfunded)/funded net liability recognized in balance sheet	**1,268.13**	**889.28**

Actuarial (gain)/loss recognised in other comprehensive income:

Description	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Actuarial (gain)/ loss from change in financial assumption in DBO	45.91	16.42
Actuarial (gain)/ loss from experience adjustment on DBO	(23.32)	(10.34)
Total actuarial (gain)/loss	**22.59**	**6.08**

Principal assumptions used in determining gratuity liability are shown below:	As at 31 March, 2025	As at 31 March, 2024
Expected return on plan assets	-	-
Rate of discounting	6.79%	7.23%
Expected rate of salary increase	7.00%	7.00%
Rate of employee turnover	23.00%	23.00%
Retirement age (years)	60	60

Sensitivity analysis for gratuity liability	As at 31 March, 2025	As at 31 March, 2024
Impact on defined benefit obligation		
Discount rate +100 basis points	(89.72)	(61.60)
Discount rate -100 basis points	104.35	71.46
Salary growth+ 100 basis points	88.18	60.47
Salary growth- 100 basis points	(78.99)	(54.94)
Attrition rate + 100 basis points	(19.44)	(11.55)
Attrition rate - 100 basis points	20.34	11.86

Expected future pay-outs (discounted)	As at 31 March, 2025	As at 31 March, 2024
Year I	111.37	89.74
Year II	84.57	67.81
Year III	64.05	51.20
Year IV	49.95	38.76
Year V	38.40	30.32
Year VI-X	129.79	102.66
Above X years	790.00	508.79

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

38 RETIREMENT BENEFIT PLAN (CONTD.)

Plan characteristics and associated risks

1. **Salary inflation risk**

   Higher than expected increases in salary will increase the defined benefit obligation

2. **Demographic risks:**

   This is the risk of volatility of results due to unexpected nature of decrements that include mortality attrition, disability and retirement. The effects of this decrement on the DBO depend upon the combination salary increase, discount rate, and vesting criteria and therefore not very straight forward. It is important not to overstate withdrawal rate because the cost of retirement benefit of an employee serving a shorter tenor will be less compared to long service employees.

3. **Actuarial risk**

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

   a) Adverse salary growth

   b) Variability in mortality rates

   c) Variability in withdrawal rates

4. **Market risk**

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

5. **Legislative/regulatory risk**

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

6. **Liquidity risk**

   The Company is making provisions for the entire gratuity liability as per actuarial valuation and follows a 'pay as you go' system to meet the liabilities as and when they fall due. Therefore, there is a liquidity risk involved that they may run out of cash.

39 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

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

Particulars	As at 31 March, 2025			As at 31 March, 2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	27,226.22	-	27,226.22	32,403.40	-	32,403.40
Bank balance other than cash and cash equivalents	907.49	4,565.49	5,472.98	2,382.70	1,959.89	4,342.59
Other receivables	326.92	-	326.92	317.12	-	317.12
Loans	4,05,612.09	2,21,485.88	6,27,097.97	3,33,509.18	1,79,435.99	5,12,945.17

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

39 MATURITY ANALYSIS OF ASSETS AND LIABILITIES (CONTD.)

Particulars	As at 31 March, 2025			As at 31 March, 2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Investments	13,001.63	-	13,001.63	11,559.93	-	11,559.93
Other financial assets	6,283.39	3,525.79	9,809.18	7,378.26	3,763.86	11,142.12
Non-financial assets						
Current tax assets (net)	117.08	-	117.08	114.35	-	114.35
Deferred tax assets (net)	-	5,458.46	5,458.46	-	1,253.10	1,253.10
Property, plant and equipment	-	2,122.36	2,122.36	-	2,007.20	2,007.20
Intangible Assets under Development	-	97.04	97.04	-	-	
Right of use asset	171.66	291.83	463.49	185.97	449.18	635.15
Other intangible assets	-	288.05	288.05	-	358.13	358.13
Other non-financial assets	734.58	3,946.26	4,680.84	791.69	3,124.20	3,915.89
Total assets	**4,54,381.06**	**2,41,781.16**	**6,96,162.22**	**3,88,642.60**	**1,92,351.55**	**5,80,994.15**
Liabilities						
Financial liabilities						
Trade payables	1,384.46	-	1,384.46	888.43	-	888.43
Other payables	-	-	-	-	-	-
Borrowings*	2,99,209.79	2,25,982.63	5,25,192.42	2,48,500.61	1,98,138.57	4,46,639.18
Other financial liabilities	12,804.10	-	12,804.10	20,698.18	-	20,698.18
Lease liabilities	166.89	355.34	522.23	139.75	522.23	661.98
Non-financial liabilities						
Current tax liabilities (net)	406.97	-	406.97	196.12	-	196.12
Provisions	327.09	2,001.92	2,329.01	237.48	1,366.21	1,603.69
Other non-financial liabilities	758.42	-	758.42	682.05	-	682.05
Total liabilities	**3,15,057.72**	**2,28,339.89**	**5,43,397.61**	**2,71,342.62**	**2,00,027.01**	**4,71,369.63**

*All borrowings are disclosed based on the contractual maturities.

40 CONTINGENT LIABILITIES, COMMITMENTS

(A) Contingent liabilities

Particulars	As at 31 March, 2025	As at 31 March, 2024
In respect of Income tax demands where the Company has filed an appeal with relevant authority	199.68	202.70
Total	**199.68**	**202.70**

Future cash outflows in respect of (a) above are determinable only on receipt of judgements /decisions pending with various forums/authorities. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.

(B) Commitments not provided for

Particulars	As at 31 March, 2025	As at 31 March, 2024
Estimated amount of contracts remaining to be executed on capital account, net of advances	6.49	37.57

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

41 LEASE DISCLOSURES

Company as a lessee : The Company's leased assets mainly comprise office buildings taken on lease. Certain agreements provide for cancellation by either party or certain agreements contains clause for escalation and renewal of agreements. The term of property leases ranges from 1-10 years and The Company has applied short term lease exemption for leasing arrangements where the period of lease is less than 12 months.

Carrying value of lease liability at the end of the reporting period by class.

Particulars	As at 31 March, 2025	As at 31 March, 2024
Opening lease liabilities	661.98	554.67
Addition to lease liabilities during the year	-	726.14
Interest expense on lease liabilities	66.43	71.71
Termination of lease	-	(498.75)
Cash outflow for leases	(206.18)	(191.79)
Closing lease liabilities	**522.23**	**661.98**

Amounts recognized in Statement of profit or loss

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Depreciation charge on right of use assets	171.66	162.88
Interest on lease liabilities	66.43	71.71
Total	**238.09**	**234.59**

Amounts recognized in the Statement of cash flows

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Interest paid on lease liabilities	66.43	71.71
Payment towards lease liabilities	(206.18)	(191.79)
Total	**(139.75)**	**(120.08)**

Maturity analysis of lease liabilities

Particulars	As at 31 March, 2025	As at 31 March, 2024
Within one year	167.00	139.75
After one year but not more than five years	355.23	522.23
More than five years	-	-
Total	**522.23**	**661.98**

Particulars	As at 31 March, 2025	As at 31 March, 2024
Nature of right of use asset	Office premises	Office premises
No. of right of use assets leased	2	2
Range of remaining term	29 months to 40 months	41 months to 51 months
Average remaining lease term	34 Months	46 Months
Future cash flows to which lessee is potentially exposed to		
Variable lease payments	-	-
Extension and termination options	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

41 LEASE DISCLOSURES (CONTD.)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Residual value guarantees	-	-
Leases not yet commenced to which the lessee is committed	-	-
Total	**-**	**-**
Restrictions or covenants imposed by leases	None	None
Sale and leaseback transactions	None	None

42 RELATED PARTY DISCLOSURES

A. List of related parties and disclosures

1. Enterprises exercising control

Holding Company : Svatantra Microfin Private Limited (w.e.f 23 November, 2023)

: Navi Finserv Limited (till 23 November, 2023)

Ultimate Holding Company : Navi Technologies Limited (till 23 November, 2023)

2. Enterprises over which key management personnel and relatives of such personnel exercise significant influence with whom transactions have been undertaken:

Navi AMC Limited (till 23 November, 2023)

Aditya Birla Finance Limited (w.e.f 23 November, 2023)

The Ananya Birla Foundation (w.e.f 23 November, 2023)

3. Key managerial personnel and their relatives:

Name of key managerial personnel	Designation
Ms. Ananyashree Birla	Non-Executive Director and Chairperson of the Board (appointed w.e.f. November 23, 2023)
Mr. Vineet Bijendra Chattree	Whole Time Director (appointed w.e.f. 23 November, 2023)
Mr. Anand Rao	Managing Director
Ms. Meena Jagtiani	Independent Director (appointed on 08 December, 2023)
Mr. Natarajan Girija Shankar	Independent Director (appointed on 08 December, 2023)
Mr. Rakesh Yadav	Chief Financial Officer (appointed w.e.f. 24 March, 2025)
Mr. Abhik Sarkar	Chief Financial Officer (resigned w.e.f. 28 February, 2025)
Mr. Neeraj Jain	Company Secretary (appointed w.e.f. 16 May, 2024)
Mr. Anup Kumar Gupta	Company Secretary (resigned on 13 May, 2024)
Mr. Sachin Bansal	Managing Director and CEO (resigned on 23 November, 2023)
Mr. Ankit Agarwal	Director and Deputy CEO (resigned on 23 November, 2023)
Mr. Samit S Shetty	Nominee Director (resigned on 23 November, 2023)
Mr. R.Sridharan	Independent Director (resigned on 23 November, 2023)
Ms. Usha A Narayanan	Independent Director (resigned on 23 November, 2023)

B. Details of transactions with related parties carried out in the ordinary course of business:

Name of related party	Nature of transaction	As at 31 March, 2025	As at 31 March, 2024
Key Management Personnel	Remuneration and incentives**	379.24	330.09
Key Management Personnel	Sitting fees	18.04	50.80

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

42 RELATED PARTY DISCLOSURES (CONTD.)

Name of related party	Nature of transaction	As at 31 March, 2025	As at 31 March, 2024
Navi Technologies Limited (Formerly known as Navi Technologies Private Limited)	Face value of equity shares allotted	-	312.50
	Securities premium received	-	1,562.50
	Reimbursment of expenditure incurred from related party	-	3.06
	Capital contribution from NTL - Vested units	-	155.26
	Capital contribution from NTL - Unvested units	-	144.02
	ESOP Expenditure*	-	126.47
Navi AMC Limited	Purchase of Mutual Funds	-	(3,800.00)
	Redemption of Mutual Funds	-	3,815.49
	Gain/(Loss) on Redemption of Mutual Funds	-	15.49
	Interest & Gain/(Loss) on Bonds	-	21.97
	Redemption of Bonds^	-	1,301.05

* ESOP expenditure to NTL also includes the ESOPs awarded to the KMPs

^ These bonds are purchased and sold through secondary market.

**The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the company as a whole.

Name of related party	Nature of transaction	As at 31 March, 2025	As at 31 March, 2024
Navi Finserv Limited (formerly known as Navi Finserv Private Limited)	Face value of equity shares allotted	-	937.50
	Securities premium received	-	4,687.50
	Payment towards purchase of portfolio	-	(159.60)
	Receipt for assignment transaction	-	14.38
Aditya Birla Finance Limited	Repayment of Borrowings	-	(1,875.00)
	Interest on borrowings	-	56.02
Svatantra Microfin Private Limited	Face value of equity shares allotted	2,207.33	-
	Securities premium received	15,484.44	-
	Intercompany Cross charge income for procurement	21.65	-
	Resource sharing income	48.10	
	Resource sharing cost	27.44	-
The Ananya Birla Foundation	CSR Activity	98.28	-

C. Outstanding balances with related parties in ordinary course of business:

Name of related party	Nature of transaction	As at 31 March, 2025	As at 31 March, 2024
Svatantra Microfin Private Limited	Outstanding receivable	50.13	-
	Outstanding payable	(27.44)	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

42 RELATED PARTY DISCLOSURES (CONTD.)

42.1 Related party disclosures

Related Party	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures		Directors		Relatives of Directors		Key Management Personnel		Relatives of Other Key Management Personnel		Others		Total	
Particulars	**Mar-25**	**Mar-24**	**Mar-25**	**Mar-24**	**Mar-25**	**Mar-24**	**Mar-25**	**Mar-24**	**Mar-25**	**Mar-24**	**Mar-25**	**Mar-24**	**Mar-25**	**Mar-24**	**Mar-25**	**Mar-24**	**Mar-25**	**Mar-24**
Borrowings																		
Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum during the year	-	1,875.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,875.00
Deposits																		
Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of deposits								-	-	-	-	-						
Outstanding	-	-	-	-	-	-	-						-	-	-	-	-	-
Maximum during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances								-	-	-	-	-						
Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments																		
Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum during the year	-	1,279.08	-	-	-	-	-	-	-	-	-	-	-	-	-	1,000.00	-	2,279.08
Other Outstanding	22.69	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	22.69	-
Purchase of fixed/ other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid	-	56.02	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	56.02
Interest received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

42 RELATED PARTY DISCLOSURES (CONTD.)

Related Party	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures		Directors		Relatives of Directors		Key Management Personnel		Relatives of Other Key Management Personnel		Others		Total	
Particulars	**Mar-25**	**Mar-24**	**Mar-25**	**Mar-24**	**Mar-25**	**Mar-24**	**Mar-25**	**Mar-24**	**Mar-25**	**Mar-24**	**Mar-25**	**Mar-24**	**Mar-25**	**Mar-24**	**Mar-25**	**Mar-24**	**Mar-25**	**Mar-24**
Intercompany Cross charge income for procurement	21.65	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	21.65	-
- Remuneration and incentives	-	-	-	-	-	-	-	-	-	-	379.24	330.09	-	-	-	-	379.24	330.09
- Income cross charged	48.10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	48.10	-
- Expenditure cross charged	27.44	126.47	-	-	-	-	-	-	-	-	-	-	-	-	-	-	27.44	126.47
- Reimbursement of expenditure	-	3.06	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3.06
- Face value of equity shares allotted	2,207.33	1,250.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,207.33	1,250.00
- Securities premium received	15,484.44	6,250.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15,484.44	6,250.00
- Receipt for assignment transaction	-	14.38	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14.38
- Payment towards purchase of portfolio	-	(159.60)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(159.60)
- Receipt towards Portfolio Collection	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Capital contribution on ESOP	-	299.28	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	299.28
- Others	-	21.97	-	-	-	-	18.04	50.80	-	-	-	-	-	-	98.28	15.49	116.32	88.26

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

43 CAPITAL

The Company maintains an actively managed capital base to cover risks inherent in the business which includes issued equity capital, share premium and all other equity reserves attributable to equity holders of the Company.

As an NBFC, the RBI requires us to maintain a minimum capital to risk weighted assets ratio ("CRAR") consisting of Tier I and Tier II capital of 15% of our aggregate risk weighted assets. Further, the total of our Tier II capital cannot exceed 100% of our Tier I capital at any point of time. The capital management process of the Company ensures to maintain a healthy CRAR at all the times.

Capital management

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

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years.

Particulars	As at 31 March, 2025	As at 31 March, 2024
Tier 1 capital	1,35,705.11	94,893.98
Tier 2 capital	18,196.11	22,595.81
Total capital funds	**1,53,901.22**	**1,17,489.79**
Risk weighted assets	**6,53,505.19**	**5,27,664.85**
Common Equity Tier 1 capital ratio	20.77%	17.98%
Common Equity Tier 2 capital ratio	2.78%	4.28%
Total capital ratio	**23.55%**	**22.27%**

Regulatory capital consists of Tier 1 capital, which comprises share capital, share premium, retained earnings including the respective year's profit less accrued dividends. Certain adjustments are made to Ind AS–based results and reserves, as prescribed by the Reserve Bank of India. The other component of regulatory capital is Tier 2 Capital, which includes subordinated debt.

The Company is meeting the capital adequacy requirements of the Reserve Bank of India (RBI) of India.

44 FAIR VALUE MEASUREMENT

44.1 Financial assets and liabilities

The carrying amounts and fair values of financial instruments by category are as follows:

Particulars	Note	As at 31 March, 2025	As at 31 March, 2024
Financial assets measured at fair value through P&L			
Investments	8	13,001.63	11,559.93
Financial assets measured at fair value through OCI			
Loans	7	-	55,096.25
Financial assets measured at amortised cost			
Cash and cash equivalents	4	27,226.22	32,403.40
Bank balance other than cash and cash equivalents	5	5,472.98	4,342.59
Trade receivables	6	326.92	317.12
Loans	7	6,27,097.97	4,57,848.92
Other financial assets	9	9,809.18	11,142.12
Total		**6,82,934.90**	**5,72,710.33**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

44 FAIR VALUE MEASUREMENT (CONTD.)

Particulars	Note	As at 31 March, 2025	As at 31 March, 2024
Financial liabilities measured at amortised cost			
Trade payables	15	1,384.46	888.43
Debt securities	16	25,798.72	31,826.58
Borrowings (other than debt securities)	17	4,80,220.51	3,94,335.33
Subordinated liabilities	18	19,173.19	20,477.27
Lease liabilities	41	522.23	661.98
Other financial liabilities	19	12,804.10	20,698.18
Total		**5,39,903.21**	**4,68,887.77**

44.2 Fair value hierarchy of assets and liabilities

Financial assets and financial liabilities are measured at fair value in the financial statements and are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

The categories used are as follows:

Level 1: Quoted prices (unadjusted) for identical instruments in an active market;

Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data (unobservable inputs).

44.3 Financial assets and liabilities measured at fair value

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

As at 31 March, 2025	Level-1	Level-2	Level-3	Total
Financial assets measured at FVTPL				
Investments in Reverse Repo	-	-	8,001.72	8,001.72
Investments in Commercial Deposits	-	-	4,999.91	4,999.91

As at 31 March, 2024	Level-1	Level-2	Level-3	Total
Financial assets measured at FVTPL				
Investments in Govt. Securities	11,559.93	-	-	11,559.93
Investments in Debt securities	-	-	-	-
Financial assets measured at FVTOCI				
Loans	-	-	55,096.25	55,096.25

Valuation technique used to determine fair value

Fair values of Loans designated under FVTOCI have been measured under level 3 at fair value based on a discounted cash flow model of the contractual cash flows of solely payment of principal and interest.

44.4 Fair value of financial instruments measured at amortised cost

Set out below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments measured at amortised cost.

Particulars	As at 31 March, 2025		As at 31 March, 2024	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets:				
Cash and cash equivalents	27,226.22	27,226.22	32,403.40	32,403.40
Bank balance other than cash and cash equivalents	5,472.98	5,472.98	4,342.59	4,342.59

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

44 FAIR VALUE MEASUREMENT (CONTD.)

Particulars	As at 31 March, 2025		As at 31 March, 2024	
	Carrying value	Fair value	Carrying value	Fair value
Other receivables	326.92	326.92	317.12	317.12
Loans (measured at amortised cost)	6,27,097.97	6,27,097.97	4,57,848.92	4,57,848.92
Other financial assets	9,809.18	9,809.18	11,142.12	11,142.12
Total financial assets	**6,69,933.27**	**6,69,933.27**	**5,06,054.15**	**5,06,054.15**
Financial liabilities:				
Trade payables	1,384.46	1,384.46	888.43	888.43
Debt securities	25,798.72	25,798.72	31,826.58	31,826.58
Borrowings (other than debt securities)	4,80,220.51	4,80,220.51	3,94,335.33	3,94,335.33
Subordinated liabilities	19,173.19	19,173.19	20,477.27	20,477.27
Lease liabilities	522.23	522.23	661.98	661.98
Other financial liabilities	12,804.10	12,804.10	20,698.18	20,698.18
Total financial liabilities	**5,39,903.21**	**5,39,903.21**	**4,68,887.77**	**4,68,887.77**

Valuation technique used for financial instruments measured at amortised cost

Below are the methodologies and assumptions used to determine fair values for the above financial instruments:

Financial assets at amortised cost

The fair value of loans given to customers are estimated using a discounted cash flow model based on contractual cash flows using actual or estimated yields.

Financial liability at amortised cost

The fair value of borrowings, debt securities and subordinate liabilities are estimated using a discounted cash flow model based on contractual cash flows using actual or estimated yields.

Short term financial assets and liabilities

The fair value of cash and cash equivalents, bank balances, trade receivables, other financial assets, trade payables, other payables and other financial liabilities approximate their carrying amount largely due to the short-term nature of these instruments. The Company's loans have been contracted at market rates of interest. Accordingly, the carrying value of these approximates fair value.

45 RISK MANAGEMENT

Risk is fundamental to the company's operations, and effective risk management is vital for its resilience. As a financial services provider, the company encounters various inherent risks in its lending operations and operating environment, notably including credit, liquidity, market, currency, and operational risks. The Board of Directors is responsible for the overall risk management approach and for approving the risk management strategies and principles. The company has implemented an Enterprise Risk Management (ERM) Framework for identifying, measuring, monitoring, and controlling all risks exposed by the firm. This note explains the sources of risk to which the entity is exposed and how the entity manages the risk, along with the related impact on the financial statements.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

45 RISK MANAGEMENT (CONTD.)

Risk	Exposure arising from	Measurement	Risk management
Credit risk	The Company is exposed to credit risk due to its risk-taking activity & faces inherent credit risks including non-payment, collection challenges, and concentration risks. Amidst its strategic risk-taking, The Company prioritizes robust risk management to navigate the complexities of the lending landscape, ensuring sustainable growth and financial resilience.	PAR analysis, Regular monitoring of pre-closures,non-starters, Quick mortality accounts, First time OD (FTOD) Analysis.	Measures including field credit assessment, credit bureau checks, Central QC & Underwriting team for Joint Liability Group Arrangements, Key Risk Indicators, and PAR Analysis are employed. The Risk function continuously monitors various thresholds and appetites as prescribed in the Enterprise Risk Management (ERM) Policy, reporting to the Management for necessary action. Appetite limits, such as concentration limits and PAR limits, are included in this monitoring & implementing controls in High Risk & focus branches.The organization has devolped the Credit Early Warning signals and it will recongnise potential risky branches.
Liquidity risk	The Company is exposed to Liquidity & Liquidity mismatch risk from funds raising activities and disbursement commitment.	Cash flow forecasts, Regular monitoring of liquidity ratios like LCR and dynamic coverage ratios on daily basis.	Company maintains suffient committed borrowing, utilizes other credit facilities, and sells loan assets when necessary. The middle office function monitors the daily liquidity position. Additionally, the Risk function conducts stress testing on the LCR and SLS regularly, presenting findings to the ALCO for necessary action.
Market risk - interest rate	Borrowings, debt securities and subordinated liabilities carrying variable interest rates.	Sensitivity analysis	The Risk function conducts various Duration gap analysis(DGA) analyses to assess the impact of changing interest rates. The focus of the DGA is to measure the level of an institution's exposure to interest rate risk in terms of the sensitivity of the Economical Value of its Equity (EVE) to interest rate movements and presenting the results to the ALCO Committee for taking necessary action. Also review of cost of funds and pricing of disbursement is done on quarterly basis.
Market risk - security price	Investments		Diversification of portfolio with focus on strategic investments within the limit as prescribe in the Investment policy.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

45 RISK MANAGEMENT (CONTD.)

Risk	Exposure arising from	Measurement	Risk management
Currency Risk	Forex risk results from a mismatch between assets and liabilities in a currency and their associated cashflows in respect to size and maturity. Chaitanya may borrow in foreign currency from institutions abroad and such borrowing exposes the Company to risk as loan assets are in Indian Rupees.	Such risk can be mitigated by appropriate hedging strategy or may remain open if within acceptable limit.	The Company shall not maintain any open foreign currency position; all foreign currency borrowing must be adequately hedged. The Company is not authorized to maintain a proprietary trading book in short-term foreign currency instruments. Any foreign currency transaction must display a clear linkage to the customer-related business.
Systemic Risk	External events impacting the system as a whole (industry, or economy, or both), e.g. Demonetization, Novel Coronavirus 2019 (COVID-19).	Monitoring of external events, ageing analysis of industry data on loans, recovery trends witnessed by the sector.	The Company prioritize the preservation of adequate liquidity to meet near-term cash outflows and expense obligations, ensure capital and borrowing capacity adequacy, and diversify our portfolio across geographies and customer profiles. Additionally, the Company buffer provisions to meet unexpected losses. The organization has implemented a robust Business Continuity Plan to address such scenarios effectively.

The Company has implemented comprehensive Enterprise Risk Management policy and procedures to assess, monitor and manage risk throughout the organization. The risk management process is continuously reviewed, improved and adapted in tandem with internal metamorphosis and changing external environment. The process of continuous evaluation of risk also includes taking stock of the risk landscape on an event-driven basis.

The Company has an elaborate process for risk management. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The Company's treasury is responsible for managing its assets and liabilities, liquidity position, and the overall financial structure. It is also primarily responsible for the funding and interest rate risks of the Company.

45.1 Credit risk

Credit risk is the risk that a customer or counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company's main income generating activity is lending to retail customers and therefore credit risk is principal risk associated with the business. For a micro finance institution this assumes more significance since the lending that is carried out is primarily unsecured.

The credit risk management policy of the Company seeks to have following controls and key metrics that allows risks to be identified, assessed, monitored and reported in a timely and efficient manner in compliance with regulatory requirements.

- Standardize the process of identifying new risks and designing appropriate controls for these risks
- Minimize losses due to defaults or untimely payments by borrowers
- Maintain an appropriate credit administration and loan review system
- Establish metrics for portfolio monitoring
- Monitoring of Risk Appetite thresholds
- Design appropriate credit risk mitigation techniques

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

45 RISK MANAGEMENT (CONTD.)

45.1.1 Risk identification

Credit risk may originate in one or multiple of following ways mentioned below:

- Adverse selection of members for group formation e.g. (bogus members, defaulters, negative profiles, etc.)
- Adverse selection of groups for undertaking lending activity (negative villages, migrant occupations, negative communities, etc.)
- Gap in credit assessment of borrower's credit worthiness (Failure to collect KYC documents, verify residential address, assess income source, etc.)
- Undue Influence of Animator/Representative on group members (group leaders / political influence / middlemen influencing decisions of customers)
- Over-borrowing by customers
- Upper cap on loan ticket size
- Improper use of loan amount than the designated activity
- Over-concentration in any geography/branch/zone etc.
- Group culture and meeting discipline (e.g. timely arrival to meetings, absence of members from meetings, attendance, presence of non-members, etc.)

45.1.2 Risk assessment and measurement

The Company has a robust risk assessment framework to address each of the identified risks. The following is the framework implemented in order to ensure completeness and robustness of the risk assessment.

- Selection of client base for group formation - Adequate due diligence is carried out for selection of women borrowers who are then brought together for JLG formation. (e.g. members with homogeneous income, only one member from a family, upper cap on annual household income, etc.)
- Adequate training and knowledge of JLG operations
- Credit assessment -credit bureau check
- Follow up and regular monitoring with the members
- Portfolio monitoring through a centralized Risk & Analytics team

The Company assesses and manages credit risk based on internal credit grading system. Internal credit grading is performed for each class of financial instruments with different characteristics. The Company assigns the following credit grading to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

(i) Low credit risk

(ii) Moderate credit risk

(iii) High credit risk

The company provides for expected credit loss based on the following:

Nature	Assets covered	Basis of expected credit loss
Low credit risk	Loans and other financial assets	12 month expected credit loss
Moderate credit risk	Loans	Life time expected credit loss
High credit risk	Loans	Life time expected credit loss

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

45 RISK MANAGEMENT (CONTD.)

45.1.3 Risk monitoring

Monitoring and follow up is an essential element in the overall risk management framework and is taken up very seriously at all levels within the organization. Monitoring and controlling risks is primarily performed based on limits established by the Company.

Borrower risk categorization is an effective tool to flag potential problems in the loan accounts and identify if any corrective action plan are to be taken. The Company regularly monitors borrower repayments and group discipline, and borrowers are accordingly categorized in low risk (eligible for next loan cycle) and high risk (not eligible for next loan cycle). However, due to retail nature of clients, poor financial literacy and cash-oriented culture, and lack of adequate credit history prevents the Company from obtaining credit bureau scores at regular intervals.

Loans are tracked at a homogeneous pool basis by the Risk Team. Any deterioration in the performance of the pool are immediately pointed out to the Senior Management and detailed analysis are carried out to identify the trends in performance.

The risk monitoring metrics have been defined to track performance at each stage of the loan life cycle:

- Credit origination - KYC pendency, if any; deviation index from the defined policies and procedures
- Credit sanction - Disbursement to high risk rated groups/borrowers; Early delinquency due to fraud
- Credit monitoring - Monitoring the performance of the overdue accounts on a continuous basis, any deterioration in immediately reported out to the Senior Management and detailed analysis are carried out to identify the trends in performance and actionables.
- Portfolio at risk - The metrics provides an indication of potential losses that may arise from overdue accounts. (loans staging more than 90 days past due);
- Static pool analysis - Provides an indication about the portfolio performance vis-a-vis the vintage of the loans and helps compare performance of loans generated in different time periods
- Collection and recovery - collection efficiency, roll forward rates and roll backward rates.
- Identified the high risk branches and implementing the action plan for identified risky branches.
- Identified the focus branches on a monthly basis and recommended the action plan to mitigate the potential future risk.

45.1.4 Risk mitigation

Risk mitigation or risk reduction is defined as the process of reducing risk exposures and/or minimizing the likelihood of incident occurrence.

The following risk mitigation measures have been suggested at each stage of loan life cycle:

- Loan origination - site screening, independent visit by manager, adequate training to officers.
- Loan underwriting - Risk grading, independent assessment, etc.
- Loan pre and post disbursement - disbursement at the branch premises and in the bank account only, tracking to avoid misuse of funds,
- Loan monitoring - customer relation executive to attend group meeting, reminder of payment of EMIs on time, etc.
- Loan collection and recovery - monitor repayments, confirmation of balances etc.
- Appropriate policy-driven loan origination and collection process.

It is the Company's policy to ensure that a robust risk awareness is embedded in its organizational risk culture. Employees are expected to take ownership and be accountable for the risks the Company is exposed to that they decide to take on. Continuous training and development emphasizes that employees are made aware of the Company's risk appetite and they are supported in their roles and responsibilities to monitor and keep their exposure to risk within the Company's risk

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

45 RISK MANAGEMENT (CONTD.)

appetite limits. Compliance breaches and internal audit findings are important elements of employees' annual gradings and remuneration reviews.

45.1.5 Impairment assessment

The Company is primarily engaged in the business of providing loans and access to credit to the Joint Liability Group (JLG) members. The tenure of which is ranging from 12 months to 24 months.

The Company's impairment assessment and measurement approach is set out in this note. It should be read in conjunction with the summary of material accounting policies Note 3.1.v. (Overview of the Expected Credit Loss)

Definition of default and cure

The Company considers a financial instrument as defaulted and therefore in Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes NPA as per RBI IRAC norms.

As a part of a qualitative assessment of whether a customer is in default, the Company also considers a variety of instances that may indicate unlikeliness to pay. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate.

It is the Company's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage 3 when the due amount has been repaid. The decision whether to classify an asset as Stage 2 or Stage 1 once cured depends on the updated credit grade, at the time of the cure, and whether this indicates there has been a significant increase in credit risk compared to initial recognition.

The Company's internal credit grades and staging criteria for customer are as follows:

Grading	Description*	Stages
Performing		
Standard grade - on time	No over due	Stage I
Standard grade - past due	DPD 1 to 30	Stage I
	DPD 31 to 60	Stage II
	DPD 61 to 90	Stage II
Non-performing		
Sub-standard grade	DPD > 90	Stage III

* Apart from the above, NPA loans are classified as Stage III irrespective of DPD as per Income Recognition & Asset Classification (IRAC) norms of RBI.

Frequency of recognition

Riskiness of a financial asset is recognized in the following frequency: -

- At the time of initial recognition all financial assets are recognized as low credit risk.
- Assets are evaluated on a monthly frequency till the time it is fully repaid and closed; they are evaluated basis their days past due (DPD) status at every month-end and risk classification is made accordingly.
- In case of microfinance customers, if the customer or her spouse expires, the balance repayment has to come from the Life insurer.
- An asset may be re-recognized if there is adverse field information regarding client default.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

45 RISK MANAGEMENT (CONTD.)

Forward looking approach

ECL is based on history of financial asset and also includes forward-looking statement. Ind-AS does not mandate to forecast about the future conditions over the entire expected life of a financial asset, and ensures to extrapolate projection from available, detailed information. These includes: -

- Internal historical credit loss experience
- Industry trend of credit loss of homogeneous assets
- Historical credit loss experience of other similar assets to homogeneous set of customers
- Changes in underwriting capacity, collection efficiency, and management strength
- Macroeconomic factors such as interest rates, industry policies, GDP growth rate, inflation, etc.
- Regulatory factors such as systemic risk events, policy changes, and statutory guidelines
- Systemic events such as demonetization, Andhra Pradesh crisis, etc. and special situations such as floods, cyclone, earthquake, etc.

Measurement of ECL

Expected Credit Loss or ECL is measured in the following manner.

The Company calculates ECL based on probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to the Company in accordance with the contract and the cash flows that the Company expects to receive.

ECL = PD*LGD*EAD

Each item is defined as follows: -

ECL - Expected Credit Loss

Present value of difference between contractual cash flows and actual cash flows expected to be received over a given time horizon

PD - Probability of Default

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

LGD - Loss Given Default

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

EAD- Exposure at Default

Cash flows that are at risk of default over a given time horizon. The Exposure at Default is an estimate of the exposure at a future default date.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

45 RISK MANAGEMENT (CONTD.)

Credit risk exposure

i) Expected credit losses for financial assets other than loans (refer note 7 for disclosure on credit risk exposure for loans)

As at 31 March, 2025	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	27,226.22	-	27,226.22
Bank balance other than cash and cash equivalents	5,472.98	-	5,472.98
Trade receivables	326.92	-	326.92
Other financial assets	10,157.92	(348.74)	9,809.18

As at 31 March, 2024	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	32,403.40	-	32,403.40
Bank balance other than cash and cash equivalents	4,342.59	-	4,342.59
Trade receivables	317.12	-	317.12
Other financial assets	11,312.70	(170.58)	11,142.12

45.2 Liquidity risk and funding management

In assessing the company's liquidity position, consideration shall be given to: (a) present and anticipated asset quality (b) present and future earnings capacity (c) historical funding requirements (d) current liquidity position (e) anticipated future funding needs, and (f) sources of funds. The Company maintains a portfolio of marketable assets that are assumed to be easily liquidated and undrawn cash credit limits which can be used in the event of an unforeseen interruption in cash flow. The Company also enters into securitization deals (direct assignment as well as pass through certificates) of their loan portfolio, the funding from which can be accessed to meet liquidity needs. In accordance with the Company's policy, the liquidity position is assessed under a variety of scenarios, giving due consideration to stress factors relating to both the market in general and specifically to the Company. Net liquid assets consist of cash, short–term bank deposits and investments in mutual fund available for immediate sale, less issued debt securities and borrowings due to mature within the next month. Borrowings from banks and financial institutions, issue of debentures and bonds are considered as important sources of funds to finance lending to customers. They are monitored using the advances to borrowings ratio, which compares loans and advances to customers as a percentage of secured and unsecured borrowings.

45.2.1. Analysis of financial assets and liabilities by remaining contractual maturities

The tables below analyses the Company's financial assets and liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows:

Maturity pattern of assets and liabilities as on 31 March, 2025:

Particulars	Less than 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
Financial assets					
Cash and cash equivalents	27,226.22	-	-	-	27,226.22
Bank balance other than cash and cash equivalents	907.49	3,537.84	1,027.65	-	5,472.98
Trade Receivables	326.92	-	-	-	326.92

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

45 RISK MANAGEMENT (CONTD.)

Particulars	Less than 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
Loans	4,05,612.09	2,19,663.64	1,817.51	4.73	6,27,097.97
Investments	13,001.63	-	-	-	13,001.63
Other financial assets	6,283.39	3,195.83	207.06	122.90	9,809.18
Total undiscounted financial assets	**4,53,357.74**	**2,26,397.31**	**3,052.22**	**127.63**	**6,82,934.90**
Financial liabilities					
Trade payables	1,384.46	-	-	-	1,384.46
Borrowings	2,99,209.79	2,06,809.44	19,173.19	-	5,25,192.42
Other financial liabilities	12,804.10	-	-	-	12,804.10
Lease liabilities	166.89	335.05	20.29	-	522.23
Total undiscounted financial liabilities	**3,13,565.24**	**2,07,144.49**	**19,193.48**	**-**	**5,39,903.21**
Net undiscounted financial assets/(liabilities)	**1,39,792.50**	**19,252.82**	**(16,141.26)**	**127.63**	**1,43,031.69**

Maturity pattern of assets and liabilities as on 31 March, 2024:

Particulars	Less than 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
Financial assets					
Cash and cash equivalents	32,403.40	-	-	-	32,403.40
Bank balance other than cash and cash equivalents	2,382.70	1,959.89	-	-	4,342.59
Trade Receivables	317.12	-	-	-	317.12
Loans	3,33,509.18	1,79,029.61	391.50	14.88	5,12,945.17
Investments	11,559.93	-	-	-	11,559.93
Other financial assets	7,378.26	3,630.26	106.32	27.28	11,142.12
Total undiscounted financial assets	**3,87,550.59**	**1,84,619.76**	**497.82**	**42.16**	**5,72,710.33**
Financial liabilities					
Trade payables	888.43	-	-	-	888.43
Other payables	-	-	-	-	-
Borrowings	2,48,500.61	1,79,160.37	18,978.20	-	4,46,639.18
Other financial liabilities	20,698.18	-	-	-	20,698.18
Lease liabilities	139.75	364.62	157.61	-	661.98
Total undiscounted financial liabilities	**2,70,226.97**	**1,79,524.99**	**19,135.81**	**-**	**4,68,887.77**
Net undiscounted financial assets/(liabilities)	**1,17,323.62**	**5,094.77**	**(18,637.99)**	**42.16**	**1,03,822.56**

45.3 Market risk

Market risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates and other market changes. The Company is exposed to the following market risk :

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

45 RISK MANAGEMENT (CONTD.)

Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Asset Liability Committee shall manage its rate sensitivity position to ensure the long-run earning power of the Company. In addressing this challenge, the ratios of rate-sensitive assets (RSA) to rate-sensitive liabilities (RSL) and gap (RSA minus RSL) to total liabilities is reviewed based on 30, 60, 90, 180, and 365-day, 1-2 year, and greater than 2 year definitions. More importantly, however, special emphasis is to be placed on the change in net interest income that will result from possible fluctuations in interest rates, changing account volumes, and time.

The Company is subject to interest rate risk, principally because lending to clients is at fixed interest rates, while our borrowings are at both fixed and variable interest rates for different periods. The Company assesses and manages the interest rate risk by managing the assets and liabilities. The Asset Liability Management Committee evaluates asset liability management and ensures that all significant mismatches, if any, are being managed appropriately.

Management of interest margin

The spread or interest margin, otherwise known as "Gap", is the difference between the return on assets and the expenses paid on liabilities. Assets are classified as Rate Sensitive Assets and fixed Rate Assets. Liabilities are classified as Rate Sensitive Liabilities and fixed Rate Liabilities. An asset or liability is identified as sensitive if cash flows from the asset or liability change in the same direction and general magnitude as the change in short-term rates. The cash flows of insensitive (or non-sensitive) assets or liabilities do not change within the relevant time period.

The sensitivity of the statement of profit and loss is the effect of the assumed changes in interest rates on the profit or loss for a year, based on the floating rate non–trading financial assets and financial liabilities held as at the Balance Sheet date.

The Company has Board approved Interest rate policy for managing interest rate risk and policy for determining the interest rate to be charged on the loans given.

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on the portion of borrowings. With all other variables held constant, the profit before taxes affected through the impact on floating rate borrowings is as follows:

Particulars	Effect on Statement of Profit and Loss for year ended 31 March, 2025	Effect on Statement of Profit and Loss for year ended 31 March, 2024
0.50% increase	2,343.88	1,894.80
0.50% decrease	(2,343.88)	(1,894.80)

Price risk

The Company's exposure to price risk arises from investments held and classified in the balance sheet at fair value through profit or loss. To manage the price risk arising from investments, the company diversifies its portfolio of assets.

The table below summarises the impact of increases/decreases of the price on the Company's equity and profit for the period :

Particulars	Effect on Statement of Profit and Loss for year ended 31 March, 2025	Effect on Statement of Profit and Loss for year ended 31 March, 2024
Net asset value - 1% increase	130.02	115.60
Net asset value - 1% decrease	(130.02)	(115.60)

Prepayment risk

Prepayment risk is the risk that the Company will incur a financial loss because its customers and counterparties repay or request repayment earlier or later than expected, such as fixed rate mortgages when interest rates fall.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

46 SEGMENT REPORTING

The Company is primarily engaged in the business of financing which is considered to be the only reportable business segment as per Ind AS 108, Operating Segments. The Company operates primarily in India and there is no other geographical segment.

47 DETAILS OF CSR EXPENSES

a. Corporate social responsibility (CSR) expenditure

		As at 31 March, 2025	As at 31 March, 2024
(i)	Gross amount required to be spent by the Company during the year	434.76	192.20
(ii)	Amount approved by the Board to be spent during the year	434.76	193.00
(iii)	Amount spent during the period/year (in cash)		
	- construction/ acquisition of any asset	-	-
	- on purpose other than above	321.19	217.95
(iv)	Shortfall at the end of the year #	114.03	-
(v)	Total of previous years shortfall	-	-
(vi)	Reason for shortfall#	-	
(vii)	Details of related party transactions	98.28	-
(viii)	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	-	-
	- Health/Eradicating Hunger/Poverty and malnutrition/Safe Drinking water/Sanitation/Promoting Education/Training	321.19	217.95

Key CSR activities undertaken by the Company in FY2024-25 are a) Education (Learning centres) b) Basic Amenities (RO purifiers) c) Disaster Management d) Environment (Afforestation) e) Health (check up camps).

#The unspent amount allocated for ongoing CSR projects has been earmarked through a provision and transferred to a separate bank account. These funds will be utilised for the designated projects in the upcoming financial year.

48 CREDIT RATING

Type of Instrument	Credit rating agency	As at 31 March, 2025	As at 31 March, 2024
Non convertible debentures	India Ratings and Research	IND AA- / Stable	IND A/Rating Watch with Developing Implications
Non convertible debentures	India Ratings and Research	IND AA- / Stable	-
Principal protected market linked debentures	India Ratings and Research	IND AA- / Stable	IND PP-MLDAemr/ Rating Watch with Developing Implications
Commercial Paper	India Ratings and Research	IND A1+	IND A1/Rating Watch with Developing Implications
Subordinated Debenture	India Ratings and Research	IND AA- / Stable	IND A/Rating Watch with Developing Implications
Bank Lines	India Ratings and Research	Withdrawn	IND A/Rating Watch with Developing Implications

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

48 CREDIT RATING (CONTD.)

Type of Instrument	Credit rating agency	As at 31 March, 2025	As at 31 March, 2024
Bank Lines	CRISIL Ratings	CRISIL AA-/ Stable	CRISIL AA-/Stable
Non convertible debentures	CRISIL Ratings	CRISIL AA-/ Stable	CRISIL AA-/Stable
Bank Lines	CARE Ratings Ltd	CARE AA-/ Stable	CARE AA-/Stable
Commercial Paper	CARE Ratings Ltd	CARE A1+	CARE A1+
Non convertible debentures	CARE Ratings Ltd	CARE AA-/ Stable	CARE A (CE) Stable

Additional disclosures required by the Reserve Bank of India (RBI)

(Disclosures are made as per Ind AS financial statements except otherwise stated)

49 CAPITAL ADEQUACY RATIO

Particulars		As at 31 March, 2025	As at 31 March, 2024
i)	CRAR (%)	23.55%	22.27%
ii)	CRAR - Tier I Capital (%)	20.77%	17.98%
iii)	CRAR - Tier II Capital (%)	2.78%	4.28%
iv)	Amount of subordinated debt raised as Tier-II capital*	11,503.91	16,000.00
v)	Amount raised by issue of Perpetual Debt Instruments	-	-

* Discounted value of ₹ 11,503.91 Lacs and ₹ 16,000 Lacs considered for Tier II capital against the book value ₹ 19,173.19 Lacs and ₹ 20,477.27 Lacs for 31 March, 2025 and 31 March, 2024 respectively.

50 INVESTMENTS

Particulars		As at 31 March, 2025	As at 31 March, 2024
(1)	**Value of investments**		
(i)	Gross value of investments	13,001.63	11,559.93
	(a) In India	13,001.63	11,559.93
	(b) Outside India	-	-
(ii)	Impairment provisions on investments		
	(a) In India	-	-
	(b) Outside India	-	-
(iii)	Net value of investments	13,001.63	11,559.93
	(a) In India	13,001.63	11,559.93
	(b) Outside India	-	-
(2)	**Movement of impairment provisions on investments**		
(i)	Opening balance	-	-
(ii)	Add : Provisions made during the year	-	-
(iii)	Less : Write-off/write-back of excess provisions during the year	-	-
(iv)	Closing balance	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

51 DISCLOSURE AS PER MASTER DIRECTION- RESERVE BANK OF INDIA (SECURITIZATION OF STANDARD ASSETS DIRECTIONS, 2021)

Details of financial assets sold to securitization

SI No.	Particulars	As at 31 March, 2025	As at 31 March, 2024
1	No. of SPEs holding assets for securitization transactions originated by originator (only the SPVs relating to outstanding securitization exposures to be reported here)	2.00	-
2	Total amount of securitised assets as per books of the SPEs	12,977.78	-
3	Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet		
	a) Off-balance sheet exposures		
	· First Loss	-	-
	· Others	-	-
	b) On-balance sheet exposures		
	· First Loss	1,147.85	-
	· Others	1,805.40	-
4	Amount of exposures to securitization transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitizations		
	· First Loss	-	-
	· Others	-	-
	ii) Exposure to third party securitizations		
	· First Loss	-	-
	· Others	-	-
	b) On-balance sheet exposures		
	i) Exposure to own securitizations		
	· First Loss	-	-
	· Others	-	-
	ii) Exposure to third party securitizations		
	· First Loss	-	-
	· Others	-	-
5	Sale consideration received for securitised assets and gain/loss on sale on account of securitization	14,626.83	-
6	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitization asset servicing, etc.	-	-
7	Performance of facility provided. Please provide separately for each facility viz. credit enhancement, liquidity support, servicing agent, etc. Mention bracket as of total value of facility provided.	-	-
	a) Amount paid	-	-
	b) Repayment received	-	-
	c) Outstanding amount (Credit enhancement)	2,953.25	-
8	Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle loans, etc	-	-
9	Amount and number of additional/top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle loans, etc	NIL	NIL
10	Investor complaints (a) Directly/ Indirectly received and (b) Complaints outstanding	NIL	NIL

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

51 DISCLOSURE AS PER MASTER DIRECTION- RESERVE BANK OF INDIA (SECURITIZATION OF STANDARD ASSETS DIRECTIONS, 2021) (CONTD.)

51.1 Details of assignment transactions undertaken by the Company

The Company has assigned loans by way of direct assignment. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the extent of 90% of the assets transferred to the buyer, the assets have been de-recognised from the Company's Balance Sheet. The table below summarises the carrying amount of the derecognised financial assets measured at fair value and the gain/(loss) on derecognition during the year:

Details of transfer through Direct assignment during the year and quarter ended 31 March, 2025:

SI No.	Particulars	For the year ended 31 March, 2025	For the quarter ended 31 March, 20254
1	Number of Loans	3,45,056	1,64,628
2	Aggregate amount	1,29,436.39	49,630.69
3	Sale consideration	1,16,492.75	44,667.62
4	Number of Transactions	12	4
5	Weighted average remaining Maturity(In months)	18	15
6	Weighted average holding period after Origination(In months)	6	9
7	Retention of beneficial economic interest	10%	10%
8	Coverage of tangible Security Coverage	-	-
9	Rating wise distribution of rated loans	-	-
10	Number of instances (transactions) where transferred as agreed to replace the transferred loans	-	-
11	Number of transferred loans replaced	-	-

51.2 Details of non-performing financial assets purchased/sold

	Particulars	As at 31 March, 2025	As at 31 March, 2024
i)	No. of accounts	-	-
ii)	Total amount outstanding	-	-

Note: The Company has neither sold nor purchased non-performing financial assets during the year ended 31 March, 2025 and 31 March, 2024.

51.3 Details of financial assets sold to securitization/reconstruction company for asset reconstruction

The Company has not sold any financial assets to Securitization/Reconstruction Company for asset reconstruction during the year ended 31 March, 2025 and 31 March, 2024.

52 Asset liability management maturity pattern of certain items of assets and liabilities as at 31 March, 2025

Particulars	Upto 7 days	Over 8 days upto 14 days	Over 15 days upto 1 month	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
Borrowings	2,510.16	7,699.67	12,846.38	29,112.21	23,998.33	76,526.21	1,46,516.83	2,06,809.44	19,173.19	-	5,25,192.42
Loans	8,542.89	8,419.50	23,551.52	36,581.98	33,516.18	1,05,892.37	1,89,107.65	2,19,663.64	1,817.51	4.73	6,27,097.97
Investments	13,001.63	-	-	-	-	-	-	-	-	-	13,001.63

Asset liability management maturity pattern of certain items of assets and liabilities as at 31 March, 2024

Particulars	Upto 7 days	Over 8 days upto 14 days	Over 15 days upto 1 month	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
Borrowings	3,617.58	3,981.24	13,421.92	22,600.68	25,356.21	68,126.68	1,11,396.29	1,79,160.38	18,978.20	-	4,46,639.18
Loans	8,456.16	6,599.34	17,799.54	30,238.35	26,605.38	85,380.65	1,58,429.72	1,79,029.61	391.54	14.88	5,12,945.17
Investments	4,999.44	-	6,560.49	-	-	-	-	-	-	-	11,559.93

Note:

(i) Above mentioned portfolio (own) does not include undrawn facilities, since there are no sanctioned disbursement schedule.

(ii) All borrowings are disclosed based on the contractual maturities.

(iii) There are no breach of covenants during the year and there are no default in repayment of borrowings during the year.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

53 EXPOSURE TO REAL ESTATE SECTOR

Particulars	As at 31 March, 2025	As at 31 March, 2024
A. Direct exposure		
i) Residential mortgages	0.64	120.44
(Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented)		
ii) Commercial real estate:		
(Lending secured by mortgages on commercial real estates office buildings, retails space, multipurpose commercial premises, multi-family 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)	Nil	Nil
iii) Investments in Mortgage Backed Securities (MBS) and other securitized exposures -		
a) Residential	Nil	Nil
b) Commercial real estate	Nil	Nil
B. Indirect Exposure		
Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.	Nil	Nil
Total Exposure to Real Estate Sector	**0.64**	**120.44**

54 EXPOSURE TO CAPITAL MARKET

The Company does not have any exposure to capital market as at 31 March, 2025 and 31 March, 2024.

55 SECTORAL EXPOSURE

Sector	As at 31 March, 2025			As at 31 March, 2024		
	Total On balancesheet exposure	Gross NPA	Percentage of Gross NPAs to total on balancesheet in that sector	Total On balancesheet exposure	Gross NPA	Percentage of Gross NPAs to total on balancesheet in that sector
1. Agriculture and Allied Activities	4,29,911.93	7,139.31	1.66%	3,50,964.58	1,176.31	0.34%
2. Industry	-	-	0.00%	-	-	0.00%
3. Services	17,914.19	414.65	2.31%	27,233.70	53.08	0.19%
4. Personal Loans	22,541.62	349.29	1.55%	21,146.02	29.35	0.14%
5. Others						
(i) Corporate Borrowers	-	-	0.00%	-	-	0.00%
(ii) Others	1,81,135.28	2,203.82	1.22%	1,25,824.97	289.55	0.23%

56 INTRA-GROUP EXPOSURES

The Company has no intra-group exposure for the year ended 31 March, 2025 and 31 March, 2024.

57 UNHEDGED FOREIGN CURRENCY EXPOSURE

The Company has no unhedged foreign currency exposure for the year ended 31 March, 2025 and 31 March, 2024.

58 COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

59 COMPLIANCE WITH APPROVED SCHEME(S) OF ARRANGEMENTS

During the Financial year 2024-2025, the company does not have any approved Scheme of Arrangements in terms of sections 230 to 237 of the Companies Act, 2013. (Refer Note 82)

60 DETAILS OF FINANCING OF PARENT COMPANY PRODUCTS

The Company has not financed parent company products for the year ended 31 March, 2025 and 31 March, 2024.

61 DETAILS OF SINGLE BORROWER LIMIT (SGL) / GROUP BORROWER LIMIT (GBL) EXCEEDED BY THE COMPANY

The Company does not have single or group borrower lending exceeding the limits during the year ended 31 March, 2025 and 31 March, 2024.

62 UNSECURED ADVANCES

The Company has not extended any advances where the collateral is an intangible asset such as a charge over rights, licenses, authorizations, etc. The unsecured advances of ₹ 6,51,502.38 Lacs (31 March, 2024: ₹ 5,25,020.29 Lacs) disclosed in Note 7 are without any collateral or security.

63 REGISTRATION OBTAINED FROM OTHER FINANCIAL SECTOR REGULATORS:-

The Company is registered with the following other financial sector regulators:

(a) Ministry of Corporate Affairs (MCA)

(b) Ministry of Finance (Financial Intelligence Unit)

(c) Central Registry of Securitization Asset Reconstruction and Security Interest of India (CERSAI)

64 RELATED PARTY TRANSACTIONS

Please refer to Note No. 42 and 42.1 for related party transactions and related disclosures.

65 PROVISIONS AND CONTINGENCIES

Asset Classification as per RBI Norms 31 March, 2025	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	5=3-4	6	7 = 4-6
Performing assets						
Standard	Stage 1	6,31,987.66	11,714.40	6,20,273.26	2,527.95	9,186.45
	Stage 2	9,408.29	4,405.08	5,003.21	37.63	4,367.45
Subtotal		**6,41,395.95**	**16,119.48**	**6,25,276.47**	**2,565.58**	**13,553.90**
Non-Performing assets (NPA) Substandard	Stage 3	9,877.60	8,060.83	1,816.77	6,285.56	1,775.27
Doubtful - up to 1 year	Stage 3	173.51	169.56	3.95	173.51	(3.95)
1 to 3 years	Stage 3	45.90	45.25	0.65	45.90	(0.65)
More than 3 years	Stage 3	10.06	9.93	0.13	10.06	(0.13)
Subtotal for doubtful		229.47	224.74	4.73	229.47	(4.73)
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		**10,107.07**	**8,285.57**	**1,821.50**	**6,515.03**	**1,770.55**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	Stage 1	6,31,987.66	11,714.40	6,20,273.26	2,527.95	9,186.45
	Stage 2	9,408.29	4,405.08	5,003.21	37.63	4,367.45
	Stage 3	10,107.07	8,285.57	1,821.50	6,515.03	1,770.54
	Total	**6,51,503.02**	**24,405.05**	**6,27,097.97**	**9,080.61**	**15,324.44**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

65 PROVISIONS AND CONTINGENCIES (CONTD.)

Asset Classification as per RBI Norms 31 March, 2025	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	**2**	**3**	**4**	**5=3-4**	**6**	**7 = 4-6**
Performing assets						
Standard	Stage 1	5,22,748.96	10,515.78	5,12,233.18	5,234.23	5,281.55
	Stage 2	872.03	392.50	479.53	8.71	383.79
Subtotal		**5,23,620.99**	**10,908.28**	**5,12,712.71**	**5,242.94**	**5,665.34**
Non-Performing assets (NPA) Substandard	Stage 3	1,343.53	1,114.61	228.92	13.49	1,101.12
Doubtful - up to 1 year	Stage 3	49.99	48.28	1.71	0.50	47.78
1 to 3 years	Stage 3	87.40	85.87	1.53	0.88	84.99
More than 3 years	Stage 3	67.36	67.06	0.30	0.67	66.39
Subtotal for doubtful		**204.75**	**201.21**	**3.54**	**2.05**	**199.16**
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		**1,548.28**	**1,315.82**	**232.46**	**15.54**	**1,300.29**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	Stage 1	5,22,748.96	10,515.78	5,12,233.18	5,234.23	5,281.55
	Stage 2	872.03	392.50	479.53	8.71	383.79
	Stage 3	1,548.28	1,315.82	232.46	15.54	1,300.29
	Total	**5,25,169.27**	**12,224.10**	**5,12,945.17**	**5,258.48**	**6,965.63**

Note: The above figures represent provisions determined in accordance with Asset Classification and Provisioning Norms as stipulated under Master Directions (IRAC norms of RBI)

65.1 Provisions and contingencies

Break up of 'Provisions and contingencies' shown under the head expenditure in the Statement of Profit and Loss	As at 31 March, 2025	As at 31 March, 2024
Provision towards NPA net off write offs	6,969.75	417.88
Provision for standard assets	5,211.20	5,814.00
Provision made towards income tax	12,406.95	9,726.57
Other Provision and contingencies (with details)		
i) Provision for gratuity*	451.07	347.73
ii) Provision for compensated absences*	644.79	416.84
iii) Provision for incentive	1,213.08	1,730.81
iv) Provision for statutory bonus	807.61	1,596.11
v) Provision for fraud	-	6.29
vi) Provision for other receivables	178.16	(106.84)

* Includes actuarial gain/(loss) classified under other comprehensive income.

66 DRAW DOWN FROM RESERVES

There has been no draw down from reserve during the year ended 31 March, 2025 and 31 March, 2024.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

67 GOLD LOANS

The company has no loans outstanding for the year ended 31 March, 2025 and 31 March, 2024 against gold.

68 CONCENTRATION OF DEPOSITS, ADVANCES, EXPOSURES AND NPAS

68.1 Concentration of advances

Particulars	As at 31 March, 2025	As at 31 March, 2024
Total advances to twenty largest borrowers	63.03	67.93
Percentage of advances to twenty largest borrowers to total advances of the NBFC	0.01%	0.01%

68.2 Concentration of exposures

Particulars	As at 31 March, 2025	As at 31 March, 2024
Total exposure to twenty largest borrowers/customers	62.34	67.93
Percentage of exposures to twenty largest borrowers/customers to total exposure of the NBFC borrowers/customers	0.01%	0.01%

68.3 Concentration of NPAs

Particulars	As at 31 March, 2025	As at 31 March, 2024
Total exposure to top four NPA accounts	8.89	14.58

69 MOVEMENT OF NPAS

Particulars	As at 31 March, 2025	As at 31 March, 2024
(i) Net NPAs to net advances (%)	0.29%	0.05%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	1,548.28	1,072.20
(b) Additions during the year	17,843.97	2,527.67
(c) Reductions during the year	(9,285.18)	(2,051.59)
(d) Closing balance	**10,107.07**	**1,548.28**
(iii) Movement of Net NPAs		
(a) Opening balance	232.46	174.30
(b) Additions during the year	1,651.08	451.58
(c) Reductions during the year	(62.04)	(393.42)
(d) Closing balance	**1,821.50**	**232.46**
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	1,315.82	897.90
(b) Net provisions made during the year	16,192.89	2,076.09
(c) (Write-off)/write-back of excess provisions	(9,223.14)	(1,658.17)
(d) Closing balance	**8,285.57**	**1,315.82**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

70 DISCLOSURE AS REQUIRED BY VIRTUE OF RBI MASTER DIRECTION (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023:

Particulars	As at 31 March, 2025		As at 31 March, 2024	
Liabilities side:	**Outstanding**	**Overdue**	**Outstanding**	**Overdue**
1 Loans and advances availed by the Non-Banking Financial Company inclusive of interest accrued thereon but not paid				
(a) Debentures				
: Secured	1,667.66	-	6,236.27	-
: Unsecured	43,545.64	-	44,821.98	-
(other than falling within the meaning of Public deposits)				
(b) Deferred credits	-	-	-	-
(c) Term loans	4,68,156.03	-	3,95,466.66	-
(d) Inter-corporate loans and borrowing	-	-	-	-
(e) Commercial paper	-	-	-	-
(f) Public deposits	-	-	-	-
(g) Other loans:				
Other unsecured loans against assets of the Company	-	-	1,504.99	-
Secured loans against assets of the Company	13,009.14	-	-	-
Overdraft facility	-	-	-	-
2 Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):				
(a) In the form of unsecured debentures	-	-	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
(c) Other public deposits	-	-	-	-

Assets side :	As at 31 March, 2025 Outstanding	As at 31 March, 2024 Outstanding
3 Break-up of Loans and advances including bills receivables (other than those included in (4) below) :		
(a) Secured	0.64	148.98
(b) Unsecured	6,51,502.38	5,25,020.29
4 Break-up of Leased Assets and stock on hire and other assets counting towards		
AFC activities		
(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 towards AFC activities	-	-
(a) Loans where assets have been repossessed	-	-
(b) Loans other than (a) above	-	-
5 Break-up of Investments :		
Current Investments :		

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

70 DISCLOSURE AS REQUIRED BY VIRTUE OF RBI MASTER DIRECTION (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023: (CONTD.)

Assets side :	As at 31 March, 2025 Outstanding	As at 31 March, 2024 Outstanding
1. Quoted :		
(I) Shares :	-	-
(a) Equity	-	-
(b) Preference	-	-
(II) Debentures and bonds	-	-
(III) Units of mutual funds	-	-
(IV) Government securities	-	11,559.93
(V) Others (Repo and certificate of deposits)	13,001.63	-
2. Unquoted :		
(I) Shares :	-	-
(a) Equity	-	-
(b) Preference	-	-
(II) Debentures and bonds	-	-
(III) Units of mutual funds	-	-
(IV) Government securities	-	-
(V) Others (please specify)*	-	-
Long Term Investments :		
1. Quoted :		
(I) Shares :	-	-
(a) Equity	-	-
(b) Preference	-	-
(II) Debentures and bonds	-	-
(III) Units of mutual funds	-	-
(IV) Government securities	-	-
(V) Others (please specify)	-	-
2. Unquoted :		
(I) Shares :		
(a) Equity	-	-
(b) Preference	-	-
(II) Debentures and bonds	-	-
(III) Units of mutual funds	-	-
(IV) Government securities	-	-
(V) Others (please specify)	-	-

* In Pass Through Certificates (PTC) representing securitization of loan receivables

70.1 Borrower group-wise classification of assets financed:

Category	As at 31 March, 2025			As at 31 March, 2024		
	Secured	**Unsecured**	**Total**	**Secured**	**Unsecured**	**Total**
1. Related parties						
(a) Subsidiaries	-	-	-	-	-	-
(b) Companies in the same group	-	-	-	-	-	-
(c) Other related parties	-	-	-	-	-	-
2. Other than related parties*	-	6,27,097.97	6,27,097.97	-	5,12,945.17	5,12,945.17
Total	-	**6,27,097.97**	**6,27,097.97**	-	**5,12,945.17**	**5,12,945.17**

*Net of expected credit loss

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

70 DISCLOSURE AS REQUIRED BY VIRTUE OF RBI MASTER DIRECTION (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023: (CONTD.)

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

Category	As at 31 March, 2025		As at 31 March, 2024	
	Market value/ Breakup or fair value or NAV	Book Value (Net of Provisions)	Market value/ Breakup or fair value or NAV	Book Value (Net of Provisions)
1. Related parties				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	-	-
2. Other than related parties	13,001.63	13,001.63	11,559.93	11,559.93
Total	**13,001.63**	**13,001.63**	**11,559.93**	**11,559.93**

70.3 Other information

Category	As at 31 March, 2025	As at 31 March, 2024
(i) Gross Non-Performing assets		
(a) Related parties	-	-
(b) Other than related parties	10,107.07	1,548.28
(ii) Net Non-Performing assets		
(a) Related parties	-	-
(b) Other than related parties	1,821.50	232.46

71 PUBLIC DISCLOSURE ON LIQUIDITY RISK MANAGEMENT

a) Funding concentration based on significant Counterparty* (both deposits/ borrowings)

As at 31 March, 2025

Number of significant counterparties	Amount	% of Total Deposit	% of Total Liabilities
23	4,80,450.87	-	88.42%

As at 31 March, 2024

Number of significant counterparties	Amount	% of Total Deposit	% of Total Liabilities
28	4,04,724.25	-	85.86%

b) Top 20 large deposits (amount in ₹ Lacs and % of total deposits)

The Company being a Non-Deposit taking Non-Banking Financial Company- Middle Layet- Micro Finance Institution registered with Reserve Bank of India does not accept public deposits.

c) Top 10 borrowings (amount in ₹ Lacs and % of total borrowings)

As at 31 March, 2025

Amount	% of Total Borrowings
3,22,566.62	61.28%

As at 31 March, 2024

Amount	% of Total Borrowings
2,61,745.55	58.42%

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

71 PUBLIC DISCLOSURE ON LIQUIDITY RISK MANAGEMENT (CONTD.)

d) Funding concentration based on significant instrument / product

Name of the instrument/ product	As at 31 March, 2025	% of Total Liabilities	As at 31 March, 2024	% of Total Liabilities
Term loans from Banks	4,03,837.31	74.32%	3,10,518.59	65.88%
Term Loans from Financial Institutions	64,318.72	11.84%	84,948.07	18.02%
Non Convertible debentures	26,014.87	4.79%	32,080.06	6.81%
Subordinated Liabilities	19,198.41	3.53%	20,483.19	4.35%
Liability under Securitization arrangement	13,009.14	2.39%	-	0.00%

e) Stock Ratios

As at 31 March, 2025

Particulars	as a % of total public funds*	as a % of total liabilities*	as a % of total assets
Commercial papers	0.00%	0.00%	0.00%
Non-convertible debentures (original maturity of less than one year)	-	-	-
Other short-term liabilities	59.99%	57.98%	45.26%

As at 31 March, 2024

Particulars	as a % of total public funds*	as a % of total liabilities*	as a % of total assets
Commercial papers	0.00%	0.00%	0.00%
Non-convertible debentures (original maturity of less than one year)	-	-	-
Other short-term liabilities	60.75%	57.56%	46.70%

f) Institutional set-up for liquidity risk management

Board of Directors: The Board has the overall responsibility for management of liquidity risk. The Board shall decide the strategy, policies and procedures to manage liquidity risk in accordance with the liquidity risk tolerance/limits decided by it.

Risk Management Committee: The Risk Management Committee is responsible for evaluating the overall risks faced by the NBFC including liquidity risk.

Asset-Liability Management Committee (ALCO): The ALCO ensures adherence to the risk tolerance/limits set by the Board as well as implements the liquidity risk management strategy of the NBFC.

***Notes**

(i) A "significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFC.

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

(iii) Total Liabilities has been computed as sum of all liabilities (Balance sheet figure) less equities and reserve/ surplus.

(iv) Other Short-term Liabilities has been computed as Total Short-term Liabilities less Commercial paper less Non-convertible debentures (Original maturity of less than one year), basis extant regulatory ALM guidelines.

(v) Public Funds" shall include funds raised either directly or indirectly through public deposits, commercial paper, debentures, inter-corporate deposits and bank finance but exclude funds raised by issue of instruments compulsory convertible into equity shares with in a period not exceeding 10 years from the date of issue as defined in Regulatory Framework For Core Investment Companies issued vie Notification No. DNBS (PD) CC.No206/03.10.001/2010-11 dated 05 January, 2011.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

72 DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MSMED ACT, 2006

Particulars	As at 31 March, 2025	As at 31 March, 2024
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	13.38	3.82
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	0.08
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
The amount of interest accrued and remains unpaid at the end of each accounting year.	-	-
The amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

73 OVERSEAS ASSETS (FOR THOSE WITH JOINT VENTURES AND SUBSIDIARIES ABROAD)

The Company does not have any joint venture or subsidiary abroad as on 31 March, 2025 and 31 March, 2024.

74 OFF-BALANCE SHEET SPVS SPONSORED (WHICH ARE REQUIRED TO BE CONSOLIDATED AS PER ACCOUNTING NORMS)

The Company has not sponsored any off-balance sheet SPVs as at 31 March,2025 and 31 March, 2024.

75 CUSTOMER COMPLAINTS

Particulars	As at 31 March, 2025	As at 31 March, 2024
Complaints received from its customers		
1) Number of complaints pending at the beginning of the year	3	-
2) Number of complaints received during the year	2,425	1,025
3) Number of complaints disposed during the year	2,407	1,022
- Out of which, number of complaints rejected	256	-
4) Number of complaints pending at the end of the year	21	3
Maintainable complaints received from Office of Ombudsman		
5) Number of maintainable complaints received from Office of Ombudsman	3	-
- number of complaints resolved in favour of the Company by Office of Ombudsman	3	-
- number of complaints resolved through conciliation/mediation/ advisories issued by Office of Ombudsman	-	-
- number of complaints resolved after passing of Awards by Office of Ombudsman against the Company	-	-
6) Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

75 CUSTOMER COMPLAINTS (CONTD.)

Grounds of complaints	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 day
1	**2**	**3**	**4**	**5**	**6**
	As at 31 March, 2025				
Insurance claim settlement	3	236	59%	5	0
Digital Transactions	0	290	1971%	4	0
Credit Bureau Report	0	262	280%	1	0
Recovery Practices	0	340	310%	7	0
Discourteous	0	194	198%	2	0
Loan Related	0	1039	67%	0	0
Others	0	64	191%	2	0
Total	**3**	**2425**		**21**	**0**
	As at 31 March, 2024				
Insurance claim settlement	0	148	(46%)	3	0
Digital Transactions	0	14	(85%)	0	0
Credit Bureau Report	0	69	(19%)	0	0
Recovery Practices	0	83	19%	0	0
Discourteous	0	65	282%	0	0
Loan Related	0	624	12380%	0	0
Others	0	22	(37%)	0	0
Total	**0**	**1025**		**3**	**0**

76 INFORMATION ON INSTANCES OF FRAUD

Instances of fraud reported for the year ended 31 March, 2025:

Nature of fraud	No. of cases	Amount of fraud	Recovery	Amount Provided
Fraud committed by staff	4	11.11	0.85	10.26
Fraud committed by other than staff - Theft	36	18.19	7.89	10.30

The above information is based on FMR 1 filed by the company and relied by the auditors

Instances of fraud reported for the year ended 31 March, 2024:

Nature of fraud	No. of cases	Amount of fraud	Recovery	Amount Provided
Fraud committed by staff	4	16.26	0.59	15.67
Fraud committed by other than staff - Theft	24	20.87	10.41	10.46

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

77 LIQUIDITY COVERAGE RATIO DISCLOSURE

Institutional set-up for liquidity risk management

The RBI Master Direction (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, dated 19 October, 2023. As per the said guidelines, LCR requirement shall be binding on all non-deposit taking systemically important NBFCs with asset size of ₹ 5,000 crore and above from 01 December, 2020, with the minimum LCR to be 50%, progressively increasing, till it reaches the required level of 100%, by 01 December, 2024.

The Company has surpassed asset size of ₹ 5,000 Crores during the current financial year, and is currently required to maintain a minimum LCR of 85% (01 December, 2023). The Company has kept sufficient liquidity position throughout during the year, well above the minimum LCR requirements stipulated by the Master Directions. In lines with the Directions the Company has disclosed in its financial statements, the LCR as a simple average of monthly observations within a quarter (calculated over a period of 90 days) for all four quarters of the current financial year.

The Liquidity Risk Management of the Company is managed by the Asset Liability Committee (ALCO) under the governance of Board approved Liquidity Risk Management Framework Policy. To meet LCR requirements, the Company maintains adequate pool of unencumbered high-quality liquid assets (HQLA) which can be easily converted into cash. The Company's HQLA is composed of highly liquid investments as defined by the aforementioned RBI Master Directions, with appropriate haircuts wherever applicable. The Liquidity Coverage requirements for any given date is derived by arriving the stressed expected cash inflows and outflows for the next 30 calendar days. The Company ensures to maintain a steady funding pipeline from various diversified sources, comprising long-term loans from lending institutions, NCDs, sub-ordinated debts, commercial papers, and sale of asset pools through Direct Assignments and Co-lending. The Company does not have any exposure on derivatives, and there are no currency mismatches in the LCR computation.

Particulars		Quarter 31 March, 2025		Quarter 31 December, 2024		Quarter 30 September, 2024		Quarter 30 June, 2024	
(₹ in Lacs)		Total Unweighted 1 Value (average)	Total Weighted 2 Value (average)	Total Unweighted 1 Value (average)	Total Weighted 2 Value (average)	Total Unweighted 1 Value (average)	Total Weighted 2 Value (average)	Total Unweighted 1 Value (average)	Total Weighted 2 Value (average)
High Quality Liquid Assets									
1	Total High Quality Liquid Assets without any Haircut:	40,217.81	40,217.81	34,333.26	34,333.26	45,831.72	45,831.72	36,065.12	36,065.12
	Total High Quality Liquid Assets with a minimum haircut of 15%:	-	-	-	-	-	-	-	-
Cash Outflows									
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	-	-	-	-	-	-	-	-
4	Secured wholesale funding	-	-	-	-	-	-	-	-
5	Additional requirements, of which	-	-	-	-	-	-	-	-
(i)	Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)
(All amounts in ₹ Lacs unless otherwise stated)

77 LIQUIDITY COVERAGE RATIO DISCLOSURE (CONTD.)

Particulars		Quarter 31 March, 2025		Quarter 31 December, 2024		Quarter 30 September, 2024		Quarter 30 June, 2024	
(₹ in Lacs)		Total Unweighted 1 Value (average)	Total Weighted 2 Value (average)	Total Unweighted 1 Value (average)	Total Weighted 2 Value (average)	Total Unweighted 1 Value (average)	Total Weighted 2 Value (average)	Total Unweighted 1 Value (average)	Total Weighted 2 Value (average)
(ii)	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii)	Credit and liquidity facilities	-	-	-	-	-	-	-	-
6	Other contractual funding obligations	50,771.83	58,387.61	59,732.95	68,692.89	54,993.21	63,242.19	54,244.76	62,381.48
7	Other contingent funding obligations	-	-	-	-	-	-	-	-
8	**TOTAL CASH OUTFLOWS**	**50,771.83**	**58,387.61**	**59,732.95**	**68,692.89**	**54,993.21**	**63,242.19**	**54,244.76**	**62,381.48**
Cash Inflows									
9	Secured lending	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	61,856.45	52,577.98	62,004.28	52,703.64	62,316.84	52,969.31	60,347.86	51,295.68
11	Other cash inflows	2,117.70	1,800.05	8,199.71	6,969.76	2,552.50	2,169.63	3,329.11	2,829.74
12	**TOTAL CASH INFLOWS**	**63,974.15**	**54,378.03**	**70,203.99**	**59,673.40**	**64,869.34**	**55,138.94**	**63,676.97**	**54,125.43**
			Total Adjusted Value		**Total Adjusted Value**		**Total Adjusted Value**		**Total Adjusted Value**
13	**TOTAL HQLA**	**40,217.81**	**40,217.81**	**34,333.26**	**34,333.26**	**45,831.72**	**45,831.72**	**36,065.12**	**36,065.12**
14	**TOTAL NET CASH OUTFLOWS**	**12,692.96**	**14,596.90**	**14,933.24**	**17,173.22**	**13,748.30**	**15,810.55**	**13,561.19**	**15,595.37**
15	**LIQUIDITY COVERAGE RATIO (%)**	**317%**	**276%**	**230%**	**200%**	**333%**	**290%**	**266%**	**231%**
Components of HQLA need to be disclosed									
	HQLA (Cash / Cash Equivalent)/ Investment)	**Mar-25**		**Dec-24**		**Sep-24**		**Jun-24**	
i	Cash/ Bank Balance	27,226.22		20,113.23		17,656.93		29,800.00	
ii	Reverse Repo	7,997.92		-		13,495.07		-	
iii	T Bills	-		52.91		-		1,046.79	
iv	G-Secs /SDL	-		14,167.12		12,179.71		5,218.33	
v	0% RWA Bonds	4,993.67		-		2,500.00		-	
vi	20% RWA Bonds -Corporate Bonds	-		-		-		-	
	Total	**40,217.81**		**34,333.26**		**45,831.72**		**36,065.12**	

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

77 LIQUIDITY COVERAGE RATIO DISCLOSURE (CONTD.)

Particulars		Quarter 31 March, 2024		Quarter 31 December, 2023		Quarter September 30, 2023		Quarter 30 June, 2023	
(₹ in Lacs)		Total Unweighted 1 Value (average)	Total Weighted 2 Value (average)	Total Unweighted 1 Value (average)	Total Weighted 2 Value (average)	Total Unweighted 1 Value (average)	Total Weighted 2 Value (average)	Total Unweighted 1 Value (average)	Total Weighted 2 Value (average)
High Quality Liquid Assets									
1	Total High Quality Liquid Assets without any Haircut:	4,49,032.55	44,020.63	54,502.43	54,550.00	41,391.07	41,391.07	22,522.62	22,522.62
	Total High Quality Liquid Assets with a minimum haircut of 15%:	-	-	-	-	13,778.00	11,711.30	12,726.84	10,817.81
Cash Outflows									
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	50,776.80	58,393.31	50,060.57	57,569.66	43,700.00	50,255.00	43,200.00	49,680.00
4	Secured wholesale funding	-	-	-	-	-	-	-	-
5	Additional requirements, of which	-	-	-	-	-	-	-	-
(i)	Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
(ii)	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii)	Credit and liquidity facilities	-	-	-	-	-	-	-	-
6	Other contractual funding obligations	6,600.00	7,590.00	4,750.00	5,462.50	4,350.00	5,002.50	4,300.42	4,945.48
7	Other contingent funding obligations	-	-	-	-	-	-	-	-
8	TOTAL CASH OUTFLOWS	57,376.80	65,983.31	54,810.57	63,032.16	48,050.00	55,257.50	47,500.42	54,625.48
Cash Inflows									
9	Secured lending	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	50,150.00	37,612.50	53,397.57	40,048.18	48,000.00	36,000.00	42,300.00	31,725.00
11	Other cash inflows	3,000.00	2,250.00	3,000.00	2,250.00	3,500.00	2,625.00	2,500.00	1,875.00
12	**TOTAL CASH INFLOWS**	**53,150.00**	**39,862.50**	**56,397.57**	**42,298.18**	**51,500.00**	**38,625.00**	**44,800.00**	**33,600.00**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

77 LIQUIDITY COVERAGE RATIO DISCLOSURE (CONTD.)

			Total Adjusted Value		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value
13	**TOTAL HQLA**	**4,49,032.55**	**44,020.63**	**54,502.43**	**54,550.00**	**55,169.07**	**53,102.37**	**35,249.47**	**33,340.44**
14	**TOTAL NET CASH OUTFLOWS**	**14,344.20**	**26,120.81**	**13,702.64**	**20,733.98**	**12,012.50**	**16,632.50**	**11,875.10**	**21,025.48**
15	**LIQUIDITY COVERAGE RATIO (%)**	**3130%**	**169%**	**398%**	**263%**	**459%**	**319%**	**297%**	**159%**
Components of HQLA need to be disclosed									
	HQLA (Cash / Cash Equivalent)/ Investment)	**Mar-24**		**Dec-23**		**Sep-23**		**Jun-23**	
i	Cash/ Bank Balance	4,47,607.77		34,602.43		27,321.07		22,522.62	
ii	Reverse Repo	1,277.91		13,500.00		6,798.00		-	
iii	T Bills	(14.49)		400.00		2,023.00		-	
iv	G-Secs /SDL	161.36		6,000.00		4,734.00		-	
v	0% RWA Bonds	-		-		515.00		-	
vi	20% RWA Bonds -Corporate Bonds	-		-		13,778.00		12,726.84	
	Total	**4,49,032.55**		**54,502.43**		**55,169.07**		**35,249.47**	

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

78 ANALYTICAL RATIOS

Ratios	Numerator	Denominator	As at 31 March, 2025	As at 31 March, 2024	% Variance
Capital to risk-weighted assets ratio (CRAR)	1,53,901.22	6,53,505.19	23.55%	22.27%	5.77%
Tier I CRAR	1,35,705.11	6,53,505.19	20.77%	17.98%	15.47%
Tier II CRAR	18,196.11	6,53,505.19	2.78%	4.28%	-34.98%

79 PENALTIES AND STRICTURES

No penalties have been levied by any other regulator on the Company during the year ended 31 March, 2025.

80 With reference to RBI Master Direction (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, dated 19 October, 2023, no loans and advances were given to Directors and their relatives, Entities associated with directors and their relatives, Senior officers and their relatives during the year ended 31 March, 2025.

81 Additional disclosures pursuant to the RBI/2021-22/112DOR.CRE.REC.No. 60/03.10.001/2021-22 dated 22 October, 2021 on Scale Based Regulation (SBR) : A Revised Regulatory Framework for NBFCs

The Company is a debt listed NBFC and the Corporate Governance Disclosure is covered under the corporate governance/ appropriate section of the Annual Report.

82 ADDITIONAL DISCLOSURES AS PER SCHEDULE III OF THE COMPANIES ACT, 2013

a) The company recorded all transactions and there is no additional surrendered or disclosed income during the year in the tax assessments under the Income Tax Act. 1961. There is no such income which was previously unrecorded, but subsequently recorded in the books of accounts during the year.

b) There are no transactions with struck off companies during the year ended 31 March, 2025 and 31 March, 2024.

c) The Company has not traded or invested in Crypto currency or Virtual currency during the year ended 31 March, 2025 and 31 March, 2024.

d) The Company does not have any Benami property. No proceedings have been initiated or are pending against the Company for holding any Benami property.

e) The Company has not been declared a wilful defaulter by any bank or financial institution or other lender.

f) There are no charges or satisfaction which are yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

g) Utilization of Borrowed funds and share premium:

(A) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall -

(i) 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

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

(B) The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall

(i) 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

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

h) The Company has not deviated in any compliance with the requirements of Companies Act, 2013, including with respect to compliance with accounting standards.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2025 (Contd.)

(All amounts in ₹ Lacs unless otherwise stated)

83 The Board of Directors of the Company at their meeting held on 06 November, 2024 have inter-alia, considered and approved the draft Scheme of Amalgamation ("Scheme") between Svatantra Holdings Private Limited ('First Transferor Company'), Chaitanya India Fin Credit Private Limited ('Second Transferor Company') and Svatantra Microfin Private Limited ('Transferee Company) and their respective shareholders under sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013. The Scheme is subject to the receipt of necessary approvals from the statutory and regulatory authorities including the Reserve Bank of India (RBI), Competition Commission of India (CCI), Securities and Exchange Board of India (SEBI), BSE Limited and the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench and such other approvals, permission and sanctions, as may be necessary.

The BSE vide its letter dated 06 February, 2025 bearing number DCS/AMAL/TS/REG59A/351/ 2024-25 has issued Observation Letter with 'no adverse observations' on the Scheme of Amalgamation.

84 PREVIOUS YEAR COMPARATIVES

Figures of the previous period have been regrouped, wherever necessary, to conform to the classification / disclosure adopted in the current year.

For and on behalf of the Board of Directors of
Chaitanya India Fin Credit Private Limited

As per our report of even date
S N Dhawan & CO LLP
Chartered Accountants
Firm Registration No.: 000050N/N500045

Sd/-
Vineet Bijendra Chattree
Whole Time Director
DIN No. 07962531
Mumbai
23 May, 2025

Sd/-
Anand Rao
Managing Director
DIN: 01713987
Bengaluru
23 May, 2025

Sd/-
Rahul Singhal
Partner
Membership No. 096570
Gurugram
23 May, 2025

Sd/-
Rakesh Yadav
Chief Financial Officer
Mumbai
23 May, 2025

Sd/-
Neeraj Jain
Company Secretary
Membership No: 12273
Mumbai
23 May, 2025

NOTICE

Notice is hereby given that the Sixteenth Annual General Meeting of the Members of Chaitanya India Fin Credit Private Limited will be held at a shorter notice on Tuesday, 30 September, 2025 at 2.00 P.M. at the Registered Office of the Company at Level 20, Sunshine Tower, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400013 either in person or through Video Conferencing / Other Audio Visual Means (OAVM), to transact the following business:

ORDINARY BUSINESS:

1. **To adopt Audited Financial Statements of the Company for the Financial Year ended 31 March, 2025:**

   To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

   "**RESOLVED THAT** the Audited Financial Statements comprising Statement of Profit & Loss of the Company for the financial year ended 31 March, 2025, the Balance Sheet as at that date and Cash Flow Statement for the financial year ended 31 March, 2025 together with the Notes as annexed thereto and the Reports of the Auditors and the Board of Directors, thereon as circulated to the Members, be and are hereby considered and adopted."

By Order of the Board of Directors of
Chaitanya India Fin Credit Private Limited

Sd/-
Neeraj Jain
Company Secretary and Chief Compliance Officer
Membership No.: A12273

Date: 25 September, 2025
Place: Mumbai

NOTICE (Contd.)

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING/AGM") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

   A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

2. Pursuant to the provisions of Section 113 of the Companies Act, 2013 Institutional/Corporate Members (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its board or governing body resolution/authorization, etc., authorizing their representative to attend the AGM on its behalf and to vote in the AGM.

3. A proxy form along with an Attendance Slip is annexed to the Notice.

4. Members are requested to bring their copy of the Notice at the Annual General Meeting.

5. The route map to the venue of the AGM as per the requirement of Secretarial Standard - 2 is attached for the perusal of the Members.

6. Members/Proxies are requested to bring in a duly filled Attendance Slip attached herewith to attend the Meeting.

7. The members have the option to participate in the meeting either in person or through Video Conferencing (VC) / Other Audio-Visual Means (OAVM).

8. The Ministry of Corporate Affairs ("MCA") has vide its Circular dated 19 September, 2024 permitted the holding of the AGM through VC/OAVM, without the physical presence of the Members at a common venue till 30 September, 2025. In compliance with the provisions of the Companies Act, 2013 ("the Act"), and MCA Circulars, the AGM of the Company is being held in a hybrid mode either in-person or through VC / OAVM.

9. In compliance with applicable provisions of the Act read with the MCA Circulars, the AGM of the Company is being conducted through VC/OAVM. Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI") read with Clarification/ Guidance on applicability of Secretarial Standards - 1 and 2 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the registered office of company which shall be the deemed venue of the AGM.

10. The Member's log-in to the Video Conferencing platform shall be considered for record of attendance at the AGM and such Member attending the Meeting will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

11. **AGM through VC/OAVM:** Members will be provided with a facility to attend the AGM through video conferencing platform. Members can join the AGM, 15 minutes before the scheduled time of commencement of the AGM.

12. **Instructions for Members for Attending the AGM through VC/OAVM are as under:**

    a. Attending the AGM: Members will be provided with a facility to attend the AGM through the video conferencing platform. The Login credentials will be shared separately.

    b. Members may join the Meeting through Laptops, Smartphones, Tablets and iPads for better experience.

    c. Members who need assistance before or during the AGM may contact Mr. Neeraj Jain, Company Secretary by sending an email request at the email id: Neeraj.m.jain@svatantra.adityabirla.com

NOTICE (Contd.)

CHAITANYA INDIA FIN CREDIT PRIVATE LIMITED

CIN: U67190MH2009PTC427833

Registered Office: Sunshine Tower, Level 20, Senapati Bapat Marg, Elphinstone Road, Mumbai- 400013; Phone No. +91 22 61415900; www.chaitanyaindia.in

ATTENDENCE SLIP

Regd. Folio. No/DP. Id/ Client id	
Name of shareholder:	
Address of shareholder:	
Proxy Name:	
Address of proxy:	

Members or their proxies are requested to present this form for admission, duly signed in accordance with their specimen signatures registered with the Company.

I/We hereby record my/our presence at the Sixteenth Annual General Meeting of the Company to be held on **Tuesday, 30 September, 2025 at 2.00 P.M.** at Sunshine Tower, Level 20, Senapati Bapat Marg, Elphinstone Road, Mumbai- 400013, Maharashtra, India

Please (✓) in the box

1. Member
2. Proxy

Signature of member/Proxy

NOTICE (Contd.)

FORM NO MGT- 11

PROXY FORM

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

CIN : U67190MH2009PTC427833
Name of the Company : Chaitanya India Fin Credit Private Limited
Registered Office : Sunshine Tower, Level 20, Senapati Bapat Marg, Elphinstone Road, Mumbai- 400013, Maharashtra, India

Name of the member :
Registered address :
E-mail Id :
Folio No :
DP ID :

I, being the holder of _______________ Equity shares of the above-named company, hereby appoint

1.	Name	:	
	Address	:	
	E-mail ID	:	
	Signature	:	

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the Sixteenth Annual General Meeting of the Company to be held on **Tuesday, 30 September, 2025, at 2.00 P.M** Sunshine Tower, Level 20, Senapati Bapat Marg, Elphinstone Road, Mumbai- 400013, Maharashtra, India and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No	Particulars	Favor / against
ORDINARY RESOLUTIONS		
1.	To adopt the audited financial statements of the Company for the financial year ended 31 March, 2025, together with reports of the Board of directors and of the Statutory auditor thereon	

Signed this on the _______ day of _______________ 2025

Affix Revenue Stamp

Signature of shareholder

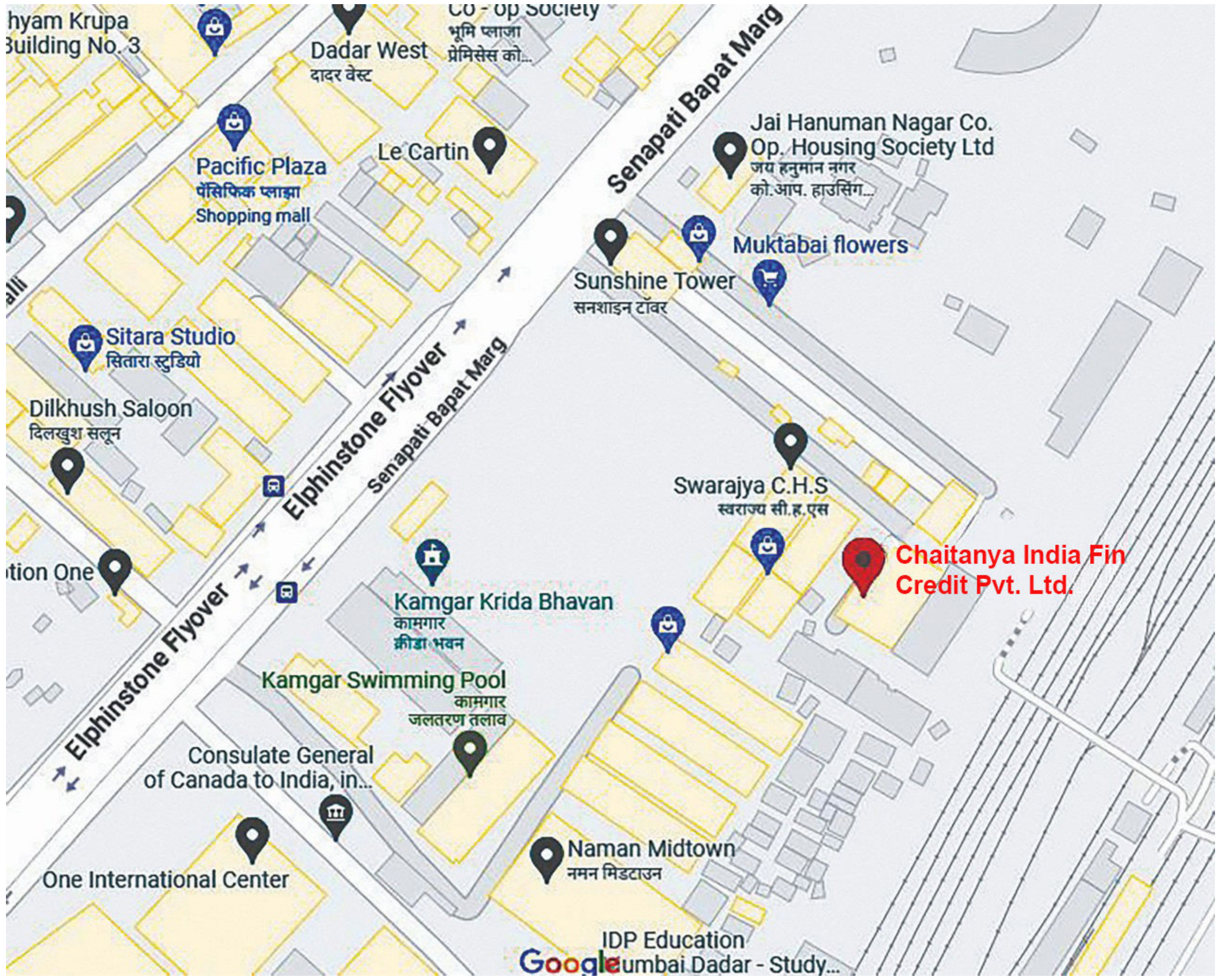
Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

NOTICE (Contd.)

16th Annual General Meeting of Chaitanya India Fin Credit Private Limited to be held at the Registered Office of the Company at Level 20, Sunshine Tower, Senapati Bapat Marg, Elphinstone Road, Mumbai - 400013 on **Tuesday, 30 September, 2025 at 2.00 P.M**.

Prominent Landmark: Near One International Centre



ROUTE MAP

CORPORATE INFORMATION

REGISTERED OFFICE:

Sunshine Tower, Level 20,
Senapati Bapat Marg,
Elphinstone Road, Mumbai – 400013
Email ID: cs@chaitanyaindia.in
Website: www.chaitanyaindia.in
Contact Number: 91-22-61415900

REGISTRAR AND TRANSFER AGENT:

KFin Technologies Limited
Selenium Tower B, Plot 31 & 32 Financial District,
Nanakramguda, Serilingampally Mandal Hyderabad,
Ranga Reddy – 500 032, Telangana, India
Toll Free - 1- 800-309-4001
Email - einward.ris@kfintech.com

CORPORATE IDENTIFICATION NUMBER:

U67190MH2009PTC427833

STATUTORY AUDITOR:

S. N. Dhawan & Co. LLP, Chartered Accountants
(Registration number: 000050N/ N500045)
2nd floor, 51-52, Sector 18, Phase-IV, Udyog Vihar,
Gurugram, Haryana 122016, India
Tel: +91 124 481 4444

SECRETARIAL AUDITOR:

N S & Associates, Company Secretaries
H-63, Ground Floor, Vijay Chowk,
Laxmi Nagar, Delhi 110092

DEBENTURE TRUSTEE:

Catalyst Trusteeship
Limited 901, 9th floor, Tower B,
Peninsula Business Park Tower,
Senapati Bapat Marg,
Lower Parel (West), Mumbai - 400013

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Chaitanya

Svatantra