DVARA KGFS

NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the 33rd Annual General Meeting of the members of Dvara Kshetriya Gramin Financial Services Private Limited will be held on Friday, 18th September 2026 at 04:00 P.M. (IST) at the registered office of the company situated at 10th Floor, Phase-1, A1, IIT-Madras Research Park, Kanagam Village, Taramani, Chennai – 600113 through other audio-visual means

ORDINARY BUSINESS

Item No: 1 To consider and adopt the standalone audited financial statements and consolidated audited financial statements of the company for the financial year ended March 31, 2026, along with the director's report and auditor's report thereon:

To consider and if thought fit, to pass the following resolution with or without modification(s) as an Ordinary Resolution:

"**RESOLVED THAT** the Standalone Audited Financial Statements of the Company along with the Balance Sheet, Statement of Profit and Loss Account, and the Cash Flow Statement for the financial year ended March 31, 2026, along with the notes to accounts, together with Reports of the Board of Directors and Auditors thereon as circulated to the members and laid before the members, be and are hereby considered and adopted.

"RESOLVED FURTHER THAT the Consolidated Audited Financial Statements of the Company along with the Balance Sheet, the Statement of Profit and Loss Account, and the Cash Flow Statement for the financial year ended March 31, 2026 along with the notes to accounts, together with Report of Auditors thereon as circulated to the members and laid before the members, be and are hereby considered and adopted."

"RESOLVED FURTHER THAT any of the Directors of the Company or the Company Secretary be and are hereby severally authorised to do all such acts, deeds, and things as may be required to give effect to the resolution including the filing of requisite e-forms with the Registrar of Companies and intimations to the Stock exchange(s) in this regard.

SPECIAL BUSINESS

Item No.2: To approve the increase in borrowing limits upto INR 3,500 crores:

To consider and if thought fit, to pass the following resolution with or without modification(s) as a **Special Resolution**:

"RESOLVED THAT in supersession to the members resolution dated March 12, 2021, pursuant to Section

180 (1)(c) and other applicable provisions, if any of the Companies Act, 2013, read with the applicable rules made thereunder, and the relevant regulations/directions as may be prescribed by the Reserve Bank of India from time to time (including any amendment(s), modification(s) thereof) and the Articles of Association of the Company, the consent of the Members be and is hereby accorded to the Board of Directors of the Company (which term shall be deemed to include any Committee thereof), to borrow monies and to raise funds from non-banking finance companies, co-operative banks, investment institutions, banks, mutual funds, and other bodies corporate or any other persons as may be identified by the Board, by way of term loans, PTC, Direct Assignment Transactions, External Commercial Borrowing (ECB), issuance of Debentures/Bonds, Commercial Paper, Certificate of Deposit or any other instruments, either in Indian Rupees or in Foreign currency, on such terms and conditions as it may think fit up to an aggregate sum of INR 3,500/- Crores (Indian Rupees Three Thousand Five Hundred Crores only).

RESOLVED FURTHER THAT the aggregate of the borrowings availed shall be in excess of the aggregate of the paid-up share capital, free reserves and securities premium of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained / to be obtained from the Company's Bankers in the ordinary course of business, shall not be in excess of 3,500/- Crores (Indian Rupees Three Thousand Five Hundred Crores only) over and above the aggregate of the paid up share capital, free reserves and securities premium of the Company.

RESOLVED FURTHER THAT the Board of Directors, Chief Financial Officer and Head – Treasury, of the Company be and are hereby severally authorised to finalise, settle and execute such documents / deeds / writings / papers / agreements as may be required, proper, or expedient to give effect to this resolution, including filing the necessary forms with the Registrar of Companies.

RESOLVED FURTHER THAT a copy of this resolution certified to be a true copy by any Director or the Company Secretary of the Company be furnished to any concerned party and they be requested to act thereon."

Item No.3: To approve the payment of Commission to Non-Executive Independent Directors

To consider and if thought fit, to pass the following resolution with or without modification(s) as a **Special Resolution**

"RESOLVED THAT in partial modification to the members resolution dated September 27, 2024, pursuant to the provisions of Sections 149, 197 and other applicable provisions, if any, of the Companies Act, 2013, read with the Rules made thereunder, and based on the recommendations of the Board and Nomination & Remuneration Committee, the proposal to revise the minimum Profit After Tax ("PAT") threshold for payment of commission to the Independent Directors of the Company from Rs. 50,00,00,000 (Rupees Fifty Crores only) to Rs. 25,00,00,000 (Rupees Twenty-Five Crores only) for a financial year, be and is hereby approved.

RESOLVED FURTHER THAT the commission amount payable to each Independent Director shall continue to remain unchanged at Rs. 5,00,000 (Rupees Five Lakhs only) per financial year, subject to the aforesaid revised PAT threshold and applicable provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT the commission amount as referred above shall be payable based on the Audited Financial Results for the relevant financial year, as duly approved by the Board of Directors and the members of the Company and shall be in addition to the sitting fees and reimbursement of expenses incurred for attending meetings, as may be paid to the Non-Executive Independent Directors from time to time.

RESOLVED FURTHER THAT the Board or the Nomination and Remuneration Committee is authorized to do such acts, deeds and things including deciding the manner and proportion of payment of commission and settle all questions or difficulties that may arise with regard to the aforesaid resolution as it may deem fit and to execute any agreements, documents, instructions etc as may be necessary and desirable in connection with or incidental to give effect to the aforesaid resolution."

Item No.4 To approve the appointment of Ms. Shreya Deb (DIN: 07915580) as Nominee Director of the Company representing Dvara Holdings (Corporate Trustee of Dvara Trust):

To consider and if thought fit, to pass the following resolution with or without modification(s) as an **Ordinary Resolution**

"RESOLVED THAT pursuant to Sections 152, 161(3) of the Companies Act, 2013 and other applicable provisions, (including any statutory modification or re-enactment thereof), if any, of the Companies Act, 2013, the Companies (Appointment and Qualifications of Directors) Rules, 2014, the Share Subscription Agreement and Amended and restated Shareholder's Agreement, Articles of Association, pursuant to the recommendations of the Nomination and Remuneration Committee, and approval of the Board of Directors dated November 12, 2025, and August 12, 2026, approval of the members be and is hereby accorded for the appointment of Ms. Shreya Deb (DIN: 07915580) as Nominee Director of the Company representing Dvara Holdings(Corporate Trustee of Dvara Trust) with effect from August 12, 2026.

RESOLVED FURTHER THAT Ms. Shreya Deb shall not be liable to retire by rotation as per the provisions of the Companies Act, 2013, and shall hold office until her nomination is withdrawn by Dvara Holdings (Corporate Trustee of Dvara Trust) or otherwise ceases to be a Director as per the provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT any of the Directors or Company Secretary of the Company be and is hereby authorized to do all such acts, deeds, matters, and things as may be necessary, proper, or expedient to give effect to this resolution, including filing the necessary forms with the Registrar of Companies.

RESOLVED FURTHER THAT a copy of this resolution certified to be a true copy by any Director or the Company Secretary of the Company be furnished to any concerned party and they be requested to act thereon."

Item No.5 To approve the appointment of Ms. Sudha Srinivasan (DIN: 08095997) as an Independent Director (Non-Executive) of the Company

To consider and if thought fit, to pass the following resolution with or without modification(s) as a **Special Resolution**

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and

Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof), and all other applicable provisions of the Act and Rules made thereunder, if any, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, relevant guidelines and circulars issued by the Reserve Bank of India ("RBI") from time to time, read along with the Articles of Association of the Company and pursuant to the recommendations of the Nomination and Remuneration Committee and the approval of Board of Directors, Ms. Sudha Srinivasan (DIN: 08095997) who was appointed as an Additional Director (Non-Executive – Independent) with effect from August 07, 2026 , be and is hereby appointed as an Independent Director (Non-executive), not liable to retire by rotation and to hold office for a first term of 3 (three) consecutive years, commencing from August 07, 2026 to August 06, 2029.

RESOLVED FURTHER THAT Ms. Sudha Srinivasan (DIN: 08095997) shall be entitled to receive sitting fees of Rs. 1,00,000/- per meeting for attending meetings of the Audit Committee & Board and Rs. 50,000/- per meeting for attending any other committee meetings and shall also be eligible to receive commission, if approved by the Members from time to time, of such amount as may be determined by the Board of Directors in accordance with the applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof) and such payments shall be made with respect to the profits of the Company for each financial year.

RESOLVED FURTHER THAT any of the Directors, CFO, and/or Company Secretary of the Company be and are hereby jointly/severally authorized to do all the such acts, deeds and things, including executing and filing of necessary e-forms with the Registrar of Companies, which are necessary to give effect to this resolution and for the matters connected herewith or incidental hereto.

RESOLVED FURTHER THAT a copy of this resolution certified to be a true copy by any Director or the Company Secretary of the Company be furnished to any concerned party and they be requested to act thereon."

By the order of the Board
For **DVARA KSHETRIYA GRAMIN FINANCIAL SERVICES PRIVATE LIMITED**

Sd/-
Aravinthan B
Company Secretary
M. No. A72679

Date: 27.08.2026
Place: Chennai

Notes:

1. The Annual General Meeting is being convened pursuant to Section 96 and 101(1) of the Companies Act, 2013. Kindly make yourself available at the meeting.

2. Since the Meeting is being held through VC/OAVM pursuant to the MCA General Circulars and Section 96 of the Act, physical attendance of Members is not required and the proceedings of the Meeting shall be deemed to be conducted at the Registered Office of the Company, which shall be the deemed venue of the AGM.

3. The Ministry of Corporate Affairs ("MCA") inter-alia vide its General Circular Nos. 14/ 2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, followed by General Circular Nos. 20/2020 dated May 5, 2020, and subsequent circulars issued in this regard, the latest being General Circular No. 03/2025 dated September 22, 2025 (collectively referred to as "MCA Circulars") has permitted the holding of the AGM through Video Conferencing ("VC") or through other audio-visual means ("OAVM"), without the physical presence of the Members at a common venue.

4. Members may note that in compliance with the applicable provisions of the Companies Act, 2013 ("the Act"), and MCA Circulars, the AGM of the Company will be convened through VC / OAVM on September 18, 2026. The facility to attend the meeting through VC will be provided by the Company. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company situated on the 10th Floor, Phase I, IIT-Madras Research Park, Kanagam Village, Taramani, Chennai - 600113.

5. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.

6. All documents referred to in this Notice are available for inspection by the members of the Company at the Registered Office of the Company during the business hours on all working days up to the date of the AGM and also during the meeting.

7. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

8. Since this AGM is being held through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM'), (a) Members will not be able to appoint proxies for the meeting, and (b) Attendance Slip & Route Map are not annexed to this Notice.

9. Link for joining the meeting will be provided separately.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No.2: To approve the increase in borrowing limits up to INR 3,500 crores

The members of the company at the extraordinary general meeting held on March 12, 2021, by way of special resolution had approved the borrowing limits under Section 180(1)(c) of the Companies Act, 2013 up to INR 2,000 Crores.

Keeping in view of the Company's existing and future financial requirements to support its business operations, the Company needs additional funds. For this purpose, the Company is desirous of raising finance from various Banks and/or Financial Institutions and/or any other lending institutions and/or Body Corporates and/or such other persons/ individuals as may be considered fit, up to an amount of INR 3500 crores.

The Board of Directors at their meeting held on May 13, 2026, approved the limits of INR 3500 crores.

The Board of Directors recommends passing the resolution as set out at Item no. 2 of the Notice as a Special Resolution.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution, except to the extent of their shareholding interest, if any, in the Company, set out at Item No. 2 of the Notice.

Item No.3: To approve the payment of Commission to Non-Executive Independent Directors

The Members of the Company at the Annual General Meeting held for the financial year 2023–24 on September 27, 2024, had approved payment of commission to the Independent Directors of the Company, not exceeding Rs. 5,00,000 (Rupees Five Lakhs only) each per financial year, subject to achievement of a minimum Profit After Tax (PAT) of Rs. 50,00,00,000 (Rupees Fifty Crores only) in the relevant financial year. It is further informed that, considering the prevailing financial performance and business requirements of the Company, it is proposed to revise the minimum PAT threshold for payment of commission to Independent Directors from Rs. 50,00,00,000 (Rupees Fifty Crores only) to Rs. 25,00,00,000 (Rupees Twenty-Five Crores only), while retaining the commission amount already approved by the Members.

The Nomination & Remuneration Committee and the Board of Directors, at their meetings held on February 9, 2026, and May 13, 2026, had reviewed and recommended the aforesaid proposal for consideration and approval of the Members of the Company.

Pursuant to Section 149(9), an Independent Director is entitled to receive profit related commission as may be approved by the members. Hence the Company may pay profit-related commission to the Independent Directors with prior approval of the members.

The other terms and conditions for payment of commission shall remain the same as approved by the members at the Annual General Meeting held on September 27, 2024.

The Board of Directors recommends passing the resolution as set out at Item no. 3 of the Notice as a Special Resolution.

DVARA KGFS

<u>Item No.4 To approve the appointment of Ms. Shreya Deb (DIN: 07915580) as Nominee Director</u>

The Board of Directors, at its meeting held on November 12, 2025 had appointed Ms. Shreya Deb (DIN: 07915580) as an Additional Director and subsequently in the Board meeting held on August 12, 2026, as Nominee Director of the Company representing Dvara Holdings (Corporate Trustee of Dvara Trust) to hold office upto the ensuing Annual General Meeting. Pursuant to the applicable provisions of the Companies Act, 2013, her appointment requires approval of the members.

The Board of Directors, pursuant to the recommendation of Nomination and Remuneration Committee, at their meeting held on August 12, 2026, approved the appointment and recommends the same for approval.

Brief profile and other additional information pursuant to Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, in respect of the Director seeking appointment is provided below.

None of the Directors, Key Managerial Personnel of the Company, or their relatives, except Ms. Shreya Deb, to the extent of her appointment as a Nominee Director, is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

Brief Profile:

Ms. Shreya Deb brings over 18 years of diverse experience spanning management consulting, investment management, and healthcare. She began her career with The Boston Consulting Group and subsequently spent more than a decade with Omidyar Network India Advisors, where she was responsible for origination, due diligence, and portfolio management, and also served as a member of the Investment Committee for consumer technology investments. She later led strategy, operations, and fund-raising at Karkinos Healthcare, a technology-enabled healthcare startup. Shreya has previously served as a nominee director at Sewa Grih Rin Ltd., Swarnapragati Housing Microfinance Pvt. Ltd., and Transerve Technologies Pvt. Ltd., and as a board observer at iMerit Technologies Pvt. Ltd. Shreya holds a B.Tech from IIT Bombay and a PGDBM from IIM Ahmedabad.

<u>DETAILS OF DIRECTOR SEEKING APPOINTMENT AS PER SECRETARIAL STANDARD ON GENERAL MEETINGS:</u>

Particulars	
Name	**Ms. Shreya Deb**
DIN	07915580
Date of birth	15-02-1984
Age	42 years
Qualification	B.Tech from IIT Bombay and a PGDBM from IIM Ahmedabad.
Expertise in specific functional areas and past experience	She has 18 years of diverse experience spanning management consulting, investment management, and healthcare. She began her career with The Boston Consulting Group and subsequently spent more than a decade with Omidyar Network India Advisors, where she was responsible for origination, due diligence, and

	portfolio management, and also served as a member of the Investment Committee for consumer technology investments. Previously served as a nominee director at Sewa Grih Rin Ltd., Swarnapragati Housing Microfinance Pvt. Ltd., and Transerve Technologies Pvt. Ltd., and as a board observer at iMerit Technologies Pvt. Ltd.
Terms and conditions of appointment	Nominee Director representing Dvara Holdings (Corporate Trustee of Dvara Trust)
Remuneration sought to be paid	-
Last drawn remuneration	-
Date of first appointment on the board	November 12, 2025
Shareholding in the company	Nil
Relationship with other Director/Manager/KMP, if any	There is no relationship between the existing directors and appointee director
No. of meetings of the board attended during the year	3
Membership/ chairmanships of other boards	Member – Customer Service & Conduct Oversight Committee Chairperson - Corporate Social Responsibility Committee
Directorship in other companies	-

Item No. 5 To approve the appointment of Ms. Sudha Srinivasan (DIN: 08095997) as an Independent Director (Non-Executive) of the Company.

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors, vide circular resolution passed on 07th August, 2026, considered the qualifications, skills, experience, expertise and integrity of Ms. Sudha Srinivasan (DIN: 08095997) and approved her appointment as an Independent Director of the Company, not liable to retire by rotation, for the first term of 3 (Three) consecutive years with effect from August 07, 2026 subject to the approval of the Members at the Annual General Meeting.

The Company had received all requisite disclosures, declarations and confirmations including that she meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and the applicable SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company had also received confirmation that her name was included in the data bank of independent directors maintained by the Indian Institute of Corporate Affairs, wherever applicable.

In the opinion of the Board, Ms. Sudha Srinivasan (DIN: 08095997) fulfilled the conditions specified under the Companies Act, 2013, Company's Policy on fit and proper criteria, applicable directions/guidelines issued by the Reserve Bank of India for NBFCs, and the applicable SEBI Regulations for appointment as an Independent Director and was independent of the Management.

Brief profile and other additional information pursuant to Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, in respect of the Director seeking appointment is provided below:

Brief Profile:

DETAILS OF DIRECTOR SEEKING APPOINTMENT AS PER SECRETARIAL STANDARD ON GENERAL MEETINGS:

Particulars	
Name	Ms. Sudha Srinivasan
DIN	08095997
Date of birth	22/06/1976
Age	50
Qualification	PGDM, IIM Lucknow
Expertise in specific functional areas and past experience	Ms. Sudha Srinivasan has over 25 years of experience spanning technology, social innovation, strategic planning and ecosystem development. She has held leadership positions across the corporate and development sectors, driving innovation, public policy initiatives and institution building
Terms and conditions of appointment	Independent Director being appointed for the first term of three consecutive years
Remuneration sought to be paid	
Last drawn remuneration	-
Date of first appointment on the board	07.08.2026
Shareholding in the company	Nil
Relationship with other director/manager/kmp, if any	Nil
No. of meetings of the board attended during the year	Nil
Membership/ chairmanships of other boards	Nil
Directorship in other companies	ASIA 2 ND CAREERS PRIVATE LIMITED

Accordingly, the Board recommended the Special Resolution set out at Item No. 5 of the Notice for approval by the Members.

None of the Directors, Key Managerial Personnel of the Company or their relatives was, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

By the order of the Board
For **DVARA KSHETRIYA GRAMIN FINANCIAL SERVICES PRIVATE LIMITED**

Sd/-
Aravinthan B
Company Secretary
M. No. A72679

Date: 27.08.2026
Place: Chennai

BOARD'S REPORT

To,
The Members of
DVARA KSHETRIYA GRAMIN FINANCIAL SERVICES PRIVATE LIMITED

Your directors take pleasure in presenting the Thirty Third Annual report on the affairs of the Company for the financial year 2025-26 together with the Audited Financial Statements of the Company for the financial year ended 31st March 2026.

MISSION

To maximize the financial wellbeing of every individual and every enterprise by providing complete access to financial services in remote rural India.

1. FINANCIAL RESULTS

The standalone and consolidated financial statements of the Company for the financial year ended March 31, 2026, have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs and as amended from time to time. The summary of operating results for the period ended March 31, 2026, is given below.

(Amount in Lakhs)

Particulars	**Standalone**		**Consolidated**	
	March 31, 2026	**March 31, 2025**	**March 31, 2026**	**March 31, 2025**
Revenue from Operations	50,157.97	57,870.96	50,281.10	57,870.96
Other Income	201.70	80.14	201.70	80.14
Total Income	50,359.67	57,951.10	50,482.80	57,951.10
Total Expenses	54,409.01	58,110.68	54,354.68	58,110.68
Share of Profit/(Loss) of Associate accounted for using Equity method				
Profit/(Loss) before Tax	(4,049.34)	(159.58)	(3,871.88)	(159.58)
Tax Expense	(365.37)	(277.89)	(289.43)	(277.89)
Profit/(Loss) after tax	(3,683.97)	118.31	(3,582.45)	118.31
Other Comprehensive Income/(Loss)	(23.87)	3,510.80	(23.87)	3,510.80
Total Comprehensive Income/(Loss)	(3,707.84)	3,629.12	(3,606.32)	3,629.12
Earnings per share (Basic)	(31.58)	1.01	(30.71)	1.01
Earnings per share (Diluted)	(31.58)	1.01	(30.71)	1.01

2. STATE OF COMPANY'S AFFAIRS AND KEY FINANCIAL AND OPERATIONAL HIGHLIGHTS FOR FINANCIAL YEAR 2025 – 2026.

a) Standalone:

During the year, the total revenue of the Company stood at INR 50,157.97 Lakhs compared to INR 57,870.96 Lakhs in the previous year. During the year, your Company has incurred a loss of INR (3,683.97) Lakhs vis-à-vis profit of INR 118.31 Lakhs in the previous year.

b) <u>Consolidated:</u>

During the year, the total revenue of the Company stood at INR 50,281.10 Lakhs compared to INR 57,870.96 Lakhs in the previous year. During the year, your Company incurred a loss of INR (3,582.45) Lakhs compared to a profit of INR 118.31 Lakhs in the previous year.

A detailed analysis of Company's operations in terms of performance in markets, business outlook, risks and concerns form part of the Management Discussion and Analysis report, which forms part of the Annual Report.

3. BUSINESS OVERVIEW AND OUTLOOK

The Company is a middle layer non-deposit taking Non-Banking Financial Company (NBFC-ND) registered with the Reserve Bank of India (RBI) and has listed its debt securities on Bombay Stock Exchange Limited (BSE).

The Company was set up by Dvara Trust, a private trust, with the mission "To ensure that every individual and every enterprise has complete access to financial services". The company delivers its product and services through a robust omni-channel network that integrates physical branches, an extensive field and agent network, and digital channels. This approach enables customers in underserved regions to access a broad spectrum of financial products and services in a convenient and timely manner. It currently operates in the states of Tamil Nadu, Odisha, Uttarakhand, Chhattisgarh, Karnataka, Uttar Pradesh, Bihar, Jharkhand, Punjab, Haryana and Andhra Pradesh serving individual customers and enterprises in rural areas. The Company continues to service rural customers in tier 5 & tier 6 locations through its network of 421 branches covering 113 districts and approximately 25,983 villages in 11 states of India. The company maintained its strategy of deep household penetration in the villages it operates in. It's strategy continued to be based upon the four identified pillars of Growth - a) Geographical Diversification, b) Product Diversification, c) Wealth Management Approach and d) Omni Channel Approach.

The NBFC sector navigated a more measured growth environment in FY 2025-26, shaped by evolving regulatory frameworks and changing credit dynamics. While overall credit demand remained resilient, certain segments, particularly microfinance, witnessed stress, with the gross loan portfolio (GLP) declining by 13.2% year-on-year to INR 3.31 Lakh Crore as lenders tightened underwriting standards in response to rising delinquencies and borrower overleveraging. The sector responded by moderating multiple lending, increasing average loan ticket sizes, and reducing exposure to overleveraged and higher-risk segments. Despite these challenges, NBFCs continued to maintain relatively lower delinquency rates across repayment buckets compared to banks, reflecting prudent portfolio management practices. NBFCs also continued to play a pivotal role in financial inclusion, accounting for more than 60% of New-to-Credit (NTC) accounts as of February 2026. Given their growing importance within the financial system and their role in extending credit to underserved segments, continued focus on asset quality, liquidity, and financial resilience remains critical for sustaining sectoral growth and stability.

Maintaining a robust funding and liquidity profile remained a key priority for the Company during FY 2025–26. The Company raised a total of INR 991.6 Crores, with Q4 FY 2025-26 accounting for INR 380.85 Crores, including INR 238.10 Crores raised in March 2026. As of 31 March 2026, the Company maintained cash and liquid assets of INR 246.34 Crores, providing adequate liquidity coverage. For FY27, the Company plans to raise INR 1,667 Crore while continuing to maintain healthy liquidity coverage across all quarters, to support its funding requirements and financial resilience.

Looking ahead to FY27, the NBFC sector is expected to focus on sustainable, quality-driven growth supported by a favourable macroeconomic environment and improving credit demand. Regulatory initiatives by the Reserve Bank of India continue to strengthen governance standards, risk management practices, and borrower protection frameworks, enhancing long-term sector resilience. The Company remains well-positioned to capitalise on emerging opportunities across its core lending segments, supported by a diversified funding profile and disciplined risk management approach. We remain committed to delivering responsible growth and creating long-term value for all stakeholders.

Award Details:

1. Great Place to Work – September 2025
2. SKOCH Awards – Semi-finalist in the Enterprise Loan category; SKOCH Order of Merit - August 2025
3. Excellence in Talent Acquisition at the 14th CHRO Confex & Awards 2025 - Chennai Chapter
4. HR Leader of the Year award at the 14th CHRO Confex & Awards 2025 - Chennai Chapter.
5. BPO Awards 2026 for Digital Innovation in AI-based calling for rural customers.

4. 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 REPORT

No material changes and commitments affecting the financial position of the company occurred between April 1, 2026, till the date of signing this report.

5. CHANGE IN THE NATURE OF BUSINESS

There have been no changes in the nature of business of the Company during the financial year under review.

However, the Company transferred its digital business to Dvara KGFS Digital Services Private Limited pursuant to a Business Transfer Agreement ("BTA") executed on November 28, 2025. The transfer comprised the digital services platform, associated technology infrastructure, software applications, and related assets and liabilities.

6. DIVIDEND

Your directors have not proposed any dividend for the financial year ended March 31, 2026.

7. TRANSFER OF UNCLAIMED / UNPAID DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The need to transfer unclaimed / unpaid dividend to the Investor Education and Protection Fund did not arise during the financial year under review

8.CAPITAL ADEQUACY

The Capital adequacy ratio of the Company, as on March 31, 2026, is 24.25% (YE March 31, 2025: 23.92%) against regulatory norms of 15%. Tier I capital is 17.78% (YE March 31, 2025: 17.47%) as against requirement of 10%. Tier II capital is 6.47% (YE March 31, 2025: 6.45%) which may increase from time to time depending on the requirement and also as a source of structural liquidity to strengthen asset liability maturity pattern. The minimum capital adequacy ratio prescribed by RBI is 15%.

9.TRANSFER TO RESERVES

The company has not transferred any amount towards Statutory Reserve due to the loss incurred by the company. The balance in the statutory reserve as on March 31, 2026, stood at INR 2520.45 Lakhs.

10. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis (MD&A) Report, highlighting important aspects of the business, forms part of the Annual Report.

11. DEPOSITS

The company being a non-deposit taking NBFC, has not accepted any deposits from the public. Further, the Company has not accepted any deposits from the public in terms of Section 73 of the Companies Act, 2013 during the year under review. The Company has passed a Board resolution for non-acceptance of deposits from public.

12. SHARE CAPITAL

During the year, there was no change in the Authorised Share Capital of the Company. The Authorised Share Capital as on March 31, 2026, was INR. 159,00,00,000/- divided into 1,19,00,000 equity shares of INR 100/- each amounting to INR 119,00,00,000/- and 40,00,000 Compulsorily Convertible Preference Shares of INR 100/- each amounting to INR 40,00,00,000/-.

During the year under review, the company has issued Compulsorily Convertible Preference Shares ("CCPS") to the following investor, the details of which are given below:

S. No	Type of Share	No. of shares issued and allotment	Date of Allotment	Allottees	Particulars
1.	Compulsorily Convertible Preference Shares	6,89,304	22-05-2025	Sparkassen International Development Trust Gmbh	Allotment by way of Private Placement
	Total	6,89,304			

The Paid-Up Share Capital as on March 31, 2026, was INR 1,23,55,78,100/- divided into 1,16,66,477 equity shares of INR 100/- each and 6,89,304 Compulsorily Convertible Preference Shares of INR 100/- each.

13. NON-CONVERTIBLE DEBENTURES

During the financial year under review the company has raised funds in the form of Non-Convertible Debentures ("NCDs") and the details of the same are provided below:

ISIN	No of Units	Issue Size (INR In crores)	Name of Debenture Trustee	Secured/unsecured
INE179P08082	4,250	42.50	Catalyst Trusteeship Limited	Unsecured
INE179P07597	15,000	15.00	Catalyst Trusteeship Limited	Secured
INE179P07605	6,896	68.96	Catalyst Trusteeship Limited	Secured
INE179P07613	30,000	30.00	Catalyst Trusteeship Limited	Secured
INE179P07621	25,000	25.00	Catalyst Trusteeship Limited	Secured

14. EMPLOYEES STOCK OPTION PLAN (ESOP)

The information pertaining to ESOP in terms of Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 is given in **Annexure A**.

15. DIRECTORS / KEY MANAGERIAL PERSONNEL

During the year under review, the following changes occurred in the composition of the Board of Directors and Key Managerial Personnel of the Company.

Appointments & Re-appointments:

1. Appointment of Mr. Arvind Kodikal (DIN: 07623915) as Nominee Director representing Accion Africa-Asia Investment Company effective May 14, 2025

2. Re-appointment of Mr. L V L N Murty as Managing Director and Chief Executive officer for a second term of 3 consecutive years effective from May 27, 2025 and ending on May 26, 2028

3. Re-appointment of Ms. Gowri Thyagarajan (DIN: 07029599) for a second term of three consecutive years effective from August 1, 2025, and ending on July 31, 2028

4. Appointment of Mr. Samir Amrit Shah (DIN: 00912693) as Non-executive Director & Chairperson of the Board and the Company effective August 26, 2025

5. Appointment of Ms. Shreya Deb (DIN: 07915580) as an Additional Director effective November 12, 2025, subject to shareholders approval

6. Appointment of Mr. Anders Hernaes Thorbjornsen (DIN: 11529836) as Nominee Director representing Abler Nordic Fund IV KS effective February 11, 2026, and approved by the shareholders at the Extra-ordinary General Meeting held on April 8, 2026.

7. Appointment of Ms. Rajalakshmi S (A56123), as Company Secretary & Compliance Officer effective April 1, 2025

8. Appointment of Mr. Abhik Sarkar as Chief Financial Officer of the Company effective June 24, 2025

9. Appointment of Mr. Aravinthan B (A76929), as Company Secretary & Compliance Officer effective December 19, 2025

Resignations:

1. Resignation of Mr. John Henry Fischer (DIN: 07908218) Nominee director representing Accion Africa-Asia Investment Company effective May 13, 2025

2. Resignation of Ms. Bindu Ananth (DIN: 02456029) as Director & Chairperson effective August 25, 2025.

3. Resignation of Ms. Lone Sondergaard (DIN: 10711271) as Nominee director effective January 30, 2026.

4. Resignation of Ms. Shilpa Bhatter as Chief Financial Officer of the Company effective June 23, 2025

5. Resignation of Ms. Rajalakshmi S (A56123), as Company Secretary & Compliance Officer effective October 21, 2025

As on March 31, 2026, the composition of the Board and KMP are as below:

S. No	Name of Director	DIN	Designation
1.	Mr. Samir Amrit Shah	00912693	Non-executive / Promoter & Chairperson
2.	Mr. L V L N Murty	09618861	Managing Director & CEO
3.	Ms. Anisha Motwani	06943493	Non-executive Independent Director
4.	Ms. Gowri Thyagarajan	07029599	Non-executive Independent Director
5.	Mr. Hemant Ratnakar Adarkar	03127893	Non-executive Independent Director
6.	Mr. Raman Uberoi	03407353	Non-executive Independent Director
7.	Mr. Anders Hernaes Thorbjornsen	11529836	Nominee Director
8.	Mr. Arvind Kodikal	07623915	Nominee Director
9.	Mr. Pranav Kumar	07896173	Nominee Director
10.	Ms. Shreya Deb	07915580	Additional Director

S. No	Name of Key Managerial Personnel	Designation
1.	Mr. L V L N Murty (DIN: 09618861)	Managing Director & CEO
2.	Mr. Abhik Sarkar	Chief Financial Officer
3.	Mr. Aravinthan B	Company Secretary

Mr. Hemant Ratnakar Adarkar has ceased to be an Independent Director on the Board of the Company with effect from May 23, 2026, upon completion of his term of three years.

All the Directors of the Company have confirmed that they satisfy the ‘fit and proper’ criteria as prescribed under Reserve Bank of India (Non-Banking Financial Companies – Governance) Directions, 2025.

16. BOARD MEETING

The Board of Directors met 10 (Ten) times during the year 2025-26 on April 18, 2025, May 14, 2025, May 26, 2025, June 23, 2025, August 14, 2025, October 17, 2025, November 12, 2025, December 19, 2025, February 11, 2026 & March 23, 2026. The gap between any two meetings has not exceeded more than 120 days.

Attendance of the Directors at the Board meeting for Financial Year 2025-26 is given below:

S. No	Name of Director	DIN	Attendance Particulars	
			Entitled to Attend	Attended
1.	Ms. Bindu Ananth	02456029	5	5
2.	Mr. Samir Amrit Shah	00912693	10	10
3.	Mr. L V L N Murty	09618861	10	10
4.	Mr. Hemant Ratnakar Adarkar	03127893	10	10
5.	Ms. Gowri Thyagarajan	07029599	10	7
6.	Mr. John Henry Fischer	07908218	1	1
7.	Ms. Anisha Motwani	06943493	10	10
8.	Mr. Raman Uberoi	03407353	10	10
9.	Mr. Pranav Kumar	07896173	10	6
10.	Ms. Lone Sondergaard	10711271	8	6
11.	Mr. Arvind Kodikal	07623915	9	7
12.	Ms. Shreya Deb	07915580	4	3
13.	Mr. Anders Hernaes Thorbjornsen	11529836	2	2

During the year under review, the meeting of Independent Directors of the Company was held on March 30, 2026. All the Independent Directors were present for the meeting.

17. COMPOSITION OF AUDIT COMMITTEE

Pursuant to the provisions of Reserve Bank of India (Non-Banking Financial Companies - Governance) Directions dated November 28, 2025, the Company has constituted an Audit Committee comprising of five (5) Directors all of whom are financially literate. Mr. Arvind Kodikal was appointed as the member of the Committee, in place of Ms. Lone Sondergaard. The following directors were members of the Audit Committee as on March 31, 2026:

1. Mr. Raman Uberoi - Independent Director (Chairman)
2. Mr. Hemant Adarkar - Independent Director
3. Mr. Samir Amrit Shah – Non-executive Director
4. Ms. Gowri Thyagarajan - Independent Director
5. Mr. Arvind Kodikal – Nominee Director

The Audit Committee met 6 (Six) times during the year 2025-26 on April 11, 2025, May 13, 2025, May 26, 2025, August 13, 2025, November 11, 2025, and February 10, 2026. The gap between any two meetings has not exceeded more than 120 days.

The details of attendance of the members at the Audit committee for Financial Year 2025-26 is given as **Annexure E**

Summary of terms of reference:

- Review of the Company’s accounting policies, internal accounting controls, financial policies and such other similar matters as the Committee deems appropriate.
- Review the adequacy and effectiveness of the Company's internal financial controls, risk management framework, and financial reporting processes on a regular basis.
- Review the implementation of the annual internal audit plan, including significant audit findings and material control deficiencies.
- Recommend and approve the appointment, reappointment, removal, remuneration, and independence of the internal and statutory auditors in accordance with applicable governance requirements
- Scrutiny of inter-corporate loans, related party transactions, and investments of the Company and its Subsidiaries;
- Review of internal audit reports of Subsidiary companies; and
- Ensuring compliance and adequate controls at Subsidiary level.

18. COMPOSITION OF NOMINATION AND REMUNERATION COMMITTEE

Pursuant to the provisions of Reserve Bank of India (Non-Banking Financial Companies - Governance) Directions dated November 28, 2025, the Company has constituted a Nomination and Remuneration Committee (NRC) comprising of Six (6) Directors. The following directors were members of the NRC as on March 31, 2026:

1. Mr. Hemant Ratnakar Adarkar – Independent Director (Chairman)
2. Ms. Anisha Motwani - Independent Director
3. Mr. Raman Uberoi - Independent Director
4. Mr. Samir Shah – Non-executive Director
5. Mr. Pranav Kumar – Nominee Director
6. Mr. Arvind Kodikal - Nominee Director

The NRC met 7 (Seven) times during the year 2025-26 on May 13, 2025, June 23, 2025, August 11, 2025, August 26, 2025, November 11, 2025, December 19, 2025, and February 9, 2026.

The details of attendance of the members at the NRC for Financial Year 2025-26 is given as **Annexure E**

Summary of terms of reference:

- Formulating and recommending to the Board the criteria for the selection of Directors being the desired/preferred board skills, attributes and qualifications for selecting new directors.
- Developing a succession plan for the Board and Senior Management
- Recommending the appointment of Independent and nominee Directors to the Board of the Company
- Recommending Appointment and Removal of CEO of the Company, to the Board, subject to Promoter consent and Significant Investor consent
- outline the compensation philosophy of the Company and recommend the same to the Board.
- Overall responsibility of approving and evaluating the Remuneration plans, policies and programs for Directors and Senior Management of the Company and its Subsidiaries.

Pursuant to the provisions of Section 134(3)(e) of the Companies Act, 2013, the Company's Policy on Fit & Proper Criteria, which lays down the criteria for appointment and remuneration of Directors is published on the website of the Company Click Here. Further, Succession Planning Policy for Key

Managerial Personnel and Senior Management Personnel, including the criteria for determining qualifications, positive attributes, and other matters specified under Section 178(3) of the Act, is available.

19. RISK MANAGEMENT AND COMPOSITION OF RISK MANAGEMENT COMMITEE:

Your Company, being in the business of financing individuals and households in the retail segment, has to manage various risks. These risks include credit risk, liquidity risk, interest rate risk and operational risk. The Risk Management Committee and the Asset Liability Management Committee review and monitor these risks at periodic intervals. The Company manages credit risk through stringent credit norms aided by a robust IT infrastructure. Liquidity risk and interest rate risk arising out of maturity mismatch of assets and liabilities are managed through regular monitoring of the maturity profiles. Operational risks arising from inadequate or failed internal processes, people and systems or from external events are adequately addressed by the internal control systems and are continuously reviewed and monitored.

Pursuant to the provisions of Reserve Bank of India (Non-Banking Financial Companies - Governance) Directions dated November 28, 2025, the Company constituted a Risk Management Committee (RMC) comprising of five (5) Directors.

The following directors were members of the RMC as of March 31, 2026:

1. Ms. Gowri Thyagarajan – Independent Director (Chairperson)
2. Mr. Samir Amrit Shah - Non-executive Director
3. Mr. Pranav Kumar – Nominee Director
4. Mr. Arvind Kodikal - Nominee Director
5. Ms. Anders Hernaes Thorbjoernsen - Nominee Director

The RMC met 4 (four) times during the year 2025-26 on May 12, 2025, August 12, 2025, November 6, 2025, and February 10, 2026.

The details of attendance of the members at the RMC for Financial Year 2025-26 is given as **Annexure E**.

Summary of terms of reference:

- Review and assess the risk management system and policy of the Company from time to time and recommend for amendment or modification thereof;
- Frame and devise risk management plan and policy of the Company and review the progress made in putting in place a progressive risk management system;
- Review and recommend potential risk involved in any new business plans and processes;
- Review and monitor the operation risk, regulatory risk, reputational risks, compliance with fair practice code and grievance redressal mechanism.

20. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Corporate Social Responsibility (CSR) committee was formed as per the provisions of the Sec. 135 of Companies Act, 2013. The composition of committee as on March 31, 2026, is as under:

1. Ms. Shreya Deb - Chairperson

2. Mr. Samir Shah – Non-Executive Director
3. Ms. Anisha Motwani – Independent Director
4. Mr. Raman Uberoi – Independent Director

The terms of reference of this committee are in line with regulatory requirements. The CSR Report pursuant to Rule 8(1) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed as **Annexure F** to this report.

As the Company did not meet any of the thresholds specified under Section 135 of the Companies Act, 2013 during the financial year ended March 31, 2026, the provisions relating to Corporate Social Responsibility are not applicable.

Summary of terms of reference:

- Formulate and recommend to Board, the CSR Policy.
- Guide and monitor the CSR activities to be undertaken by the Company and ensure compliance with schedule VII of the Companies Act, 2013.
- Identify and assess potential CSR-related risks and opportunities that could impact the organization's reputation, financial performance, and sustainability. Develop mitigation strategies and recommend actions to address the risks.
- Provide inputs on an ongoing basis, to the formulation of strategic objectives and tactical plans, including allocation of resources, funding, personnel, technology etc. that would help the company to be able to fulfill its CSR responsibilities in a responsible and effective manner.

21. DETAILS OF REMUNERATION:

During the year, there were employees, who were in receipt of remuneration as per Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Details of remuneration as required under Section 197(12) of the Companies Act, 2013 and Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are furnished as **Annexure B**.

22. GENERAL MEETINGS

The details of meetings of shareholders including Annual general meeting are provided below:

S. No	Type of Meeting	Date and place	Special resolutions passed
1	Extra-ordinary General Meeting	June 19, 2025, at the Registered Office of the company	2
2	Annual General Meeting	September 8, 2025, through other audio-visual means and at the registered office of the company	Nil

23. DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declarations from the Independent Directors of the Company under Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of their Independence as provided in Section 149(6) of the Act. They have also further confirmed that they have registered their names in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs.

The Board is further satisfied that they are persons of integrity and possess the requisite expertise, experience, proficiency, and competencies necessary to effectively discharge their duties and responsibilities as Independent Directors of the Company.

24. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has adopted its vigil mechanism/ whistle blower policy to encourage an open communication in all its interaction between its employees, consultants, customers and all the people with whom the company comes into contact. The policy is designed in such a way that it shall help the person making protected disclosure to the Competent Authority or to the Chairman of the Audit Committee in exceptional cases against any instance of wrongdoing and malpractices within the company. The Whistle Blower Policy has been published on the website of the Company and can be accessed at Click here

The Company received 16 (sixteen) complaints under the Vigil Mechanism during the financial year. All the complaints were addressed and closed as per the prescribed timelines.

25. RELATED PARTY TRANSACTIONS

All the transactions with related parties have been carried out in Arm's Length Basis and in Ordinary Course of Business. There have been no materially significant related party transactions, pecuniary transactions or relationships between the company and its directors that may have potential conflict with the interest of the Company. Transactions to be recorded under section 188 of the Companies Act, 2013 are disclosed in **Form AOC-2** annexed herewith as **Annexure C.**

The Board of Directors of your Company have approved a Related Party Transactions Policy, which governs inter-alia Identifying related parties, ascertaining and identifying Related Party transactions, obtaining approvals before entering into any related party transactions and the compliances to be adhered in relation to the related party transactions. The said policy has been published on the website of the Company and can be accessed at Click here

26. COMPLIANCE WITH RBI DIRECTIONS AND REGULATORY DISCLOSURES

The Company has complied with the directives issued as well as the norms prescribed by Reserve Bank of India for NBFCs.

Disclosures pursuant to RBI Master Directions, unless provided in the Directors' Report, form part of the notes to the standalone financial statements.

27. DIRECTOR'S RESPONSIBILITY STATEMENT

In pursuance of section 134 (5) of the Companies Act, 2013, the Directors hereby confirm 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 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; and

(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.

(f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

28. INFORMATION ABOUT THE FINANCIAL PERFORMANCE / FINANCIAL POSITION OF THE SUBSIDIARIES / ASSOCIATES/ JOINT VENTURES

During the financial year, the Company acquired 2,57,41,278 equity shares of M/s. Dvara KGFS Digital Services Private Limited (formerly known as Saija Finance Private Limited) from Pragati India Fund Limited on December 10, 2025. Consequent to the acquisition, the Company's shareholding in Dvara KGFS Digital Services Private Limited increased to 54.80% on an undiluted basis.

Accordingly, Dvara KGFS Digital Services Private Limited ceased to be an associate of the Company and became its subsidiary with effect from December 10, 2025. The name of the subsidiary company has been changed to M/s. Dvara KGFS Digital Services Private Limited vide approval from the Registrar of Companies dated January 15, 2026.

The statement pursuant to the section 129(3) of the Companies Act, 2013, containing salient features of the Financial Statements of the Company's Subsidiary including their performance and financial position in Form AOC-1 is given in **Annexure D**.

The Consolidated Financial Statements of the Company are prepared in accordance with the relevant Accounting Standards issued by the Institute of Chartered Accountants of India and forms part of this Annual Report.

29. EXTRACT OF ANNUAL RETURN

Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, a copy of annual return has been displayed on the website of the Company at Click Here.

30. STATUTORY AUDITORS AND AUDIT REPORT

The members, at the 31st Annual General Meeting held on September 27, 2024, approved the appointment of M/s. Sharp & Tannan (FRN: 003792S), Chartered Accountants, as the Statutory Auditors of the Company from the conclusion of the 31st Annual General Meeting until the conclusion of the 34th Annual General Meeting, to be held in the year 2027.

The auditors have confirmed that they are eligible to be act as a Statutory Auditors and that they have not been disqualified in any manner from continuing as Statutory Auditors of the Company.

The Statutory Auditors' report to the shareholders does not contain any qualification, observation or comment or adverse remarks.

31. SECRETARIAL AUDITORS AND AUDIT REPORT:

The Company had appointed M/s. KSM Associates, Practicing Company Secretaries, to carry out the Secretarial Audit of the Company for the Financial Year 2025-26. The Secretarial Audit report as issued by M/s. KSM Associates, is annexed to this Report as **Annexure G**. The response from the Management to the observations of Secretarial Auditors are provided below

S. No	Observations	Management's Response
1	It is observed that disclosure of interest in Form MBP-1 of the Directors were placed at the 2nd Board meeting of the financial year 2025-26 held on 14th May 2025, instead of the 1st Board meeting held on 18th April 2025 required under Section 184(1) of the Companies Act, 2013.	The first meeting of the Board for the Financial Year 2025–26 was convened at shorter notice to consider and deliberate upon an urgent matter that required the immediate attention of the Board. Consequently, the disclosure of interest in Form MBP-1 under Section 184(1) of the Companies Act, 2013 could not be placed before the Board at that meeting and was instead placed at the subsequent Board Meeting held on 14 May 2025. The Company has taken cognizance of the observation and has strengthened its internal compliance processes to ensure that such statutory disclosures are placed before the Board at the first Board Meeting of every financial year in compliance with the applicable provisions of the Companies Act, 2013.
2	It is observed that the intimation regarding the Annual General Meeting held on 8th September 2025 was not submitted to the stock exchange by the Company in accordance with Regulation 50(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. It was further observed that the stock exchange has levied penalty which has also been paid by the Company.	The non-submission of the prior intimation of the Annual General Meeting to the Stock Exchange under Regulation 50(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 was an inadvertent compliance oversight. Upon receipt of the communication from the Stock Exchange, the Company promptly complied with the applicable

		requirements, paid the penalty levied, and reviewed its internal compliance processes. Appropriate corrective measures, including strengthening of the compliance monitoring mechanism and maker-checker controls for stock exchange filings, have been implemented to prevent recurrence of such instances
3	It is observed that the Annual report for the financial year 2024-25 did not contain names of the debenture trustees with full contact details in accordance with Regulation 53(1)(e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.	The omission of the names and complete contact details of the Debenture Trustees in the Annual Report for FY 2024-25 was inadvertent and limited to the disclosure requirements under Regulation 53(1)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has taken note of the observation and has strengthened its disclosure review process to ensure that all information prescribed under the applicable regulatory requirements is comprehensively included in future Annual Reports.

32. SECRETARIAL STANDARDS:

The Company has complied with the applicable provisions of secretarial standards issued by the Institute of Company Secretaries of India.

33. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO

The Board's report should include a statement under Section 134 (3) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 with respect to the following matters:

A. Details of Conservation of Energy: **NIL**

I. Steps taken or impact on conservation of energy
II. Steps taken by the company for utilizing alternate sources of energy
III. Capital investment on energy conservation equipment

B. Technology Absorption: NIL

I. Efforts made towards technology absorption: Developed digital products and systems which helps in reducing Turnaround Time for providing financial services to the farmers.

II. Benefits derived as a result of the above efforts e.g., product improvement, cost reduction, product development, import-substitution, etc.: Reducing in Turnaround Time of crop loan from

12-14 days to 7 days and developing holistic platform for FPOs which helps in increasing their business:

III. In the case of imported technology (imported during the last 3 years reckoned from the beginning of the Financial Year):
(a) Details of technology imported:
(b) Year of import:
(c) Whether the technology has been fully absorbed:
(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof:

IV. Expenditure incurred on Research and Development
The Company has not undertaken any R&D Activity in any specific area during the Financial Year under review and hence no cost has been incurred towards the same.

V. Direct impact in the Financials as a result of the above: **NIL**

Foreign exchange earnings and foreign exchange expenditures: NIL

(INR In Lakhs)

	FY 2025-26
Foreign exchange earnings	-
Foreign exchange expenditures	**-**

34. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

There are no significant and material orders passed by the regulators or courts or tribunals that would impact the going concern status of the Company and its future operations.

35. DISCLOSURES PURSUANT TO THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

As per the provisions of Section 4 of Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013, every company where there are 10 or more employees, the employer must form an Internal Committee (IC) and have in place a policy approved by its Board. The company has in place a Policy on prevention of Sexual Harassment of Women and IC in line with the requirements of the Act. The said policy has been published on the website of the Company and can be accessed at Click here.

The details of the complaints received and resolved during the financial year under review, are as mentioned below:

Number of complaints pending at the beginning of the year – Nil
Number of complaints of sexual harassment received during the year – 5
Number of complaints disposed off during the year – 5
Number of cases pending for more than ninety days – 0
Number of cases pending at the end of the year – 0

36. **STATEMENT BY THE COMPANY WITH RESPECT TO THE COMPLAINCE TO THE PROVISIONS RELATING TO THE MATERNITY BENEFITS ACT, 1961:**

Pursuant to provisions of the Maternity Benefit Act 1961 and the amendments thereof, the Company is committed to ensuring the welfare and rights of women employees. The Company has complied with all applicable provisions of the Act during the financial year under review.

37. **INTERNAL FINANCIAL CONTROLS AND INTERNAL AUDITORS:**

The Company has an effective Internal Control System which is commensurate with the size, scale and complexity of its operations. The Company has a continuous monitoring mechanism through internal control team and internal audit which enables the organisation to maintain with the same standard of the control systems and helps them in managing any default on timely basis because of strong reporting mechanisms followed by the company.

Pursuant to Section 138 of the Companies Act, 2013, the Board of Directors, as per the recommendation of Audit Committee, at their meeting held on August 14, 2025, had appointed M/s M.C. Ranganathan & Co, Chartered Accountants for the period April 2025 to September 2025 and M/s PKF Sridhar & Santhanam LLP for the period October 2025 to March 2026.

Based on the performance review of the internal auditors and pursuant to the recommendation of the Audit Committee, the Board of Directors at their meeting held on May 13, 2026, approved the appointment of M/s PKF Sridhar & Santhanam LLP (FRN: 003990S/S200018), Chartered Accountants, for a period of three financial years i.e, from FY 2026-27 to FY 2028-29.

38. **PARTICULARS OF LOANS GIVEN, GUARANTEES GIVEN OR INVESTMENTS MADE AND SECURITY PROVIDED:**

During the year under review, the company increased its investment in its associate company M/s. Dvara KGFS Digital Services Private Limited (Formerly known as Saija Finance Private Limited) by acquiring 2,57,41,278 equity shares of INR 10 /- each for the purchase consideration of INR 1,00,00,000/- (Rupees One Crore only) on December 10, 2025, from Pragati India Fund Limited. Pursuant to the said acquisition, the Company's equity shareholding in M/s. Dvara KGFS Digital Services Private Limited (Formerly known as Saija Finance Private Limited) increased to 54.80%, resulting the associate company becoming a subsidiary of the Company with effect from December 10, 2025.

The Company, being an NBFC, extends loans to customers in the ordinary course of its business. Other than loans granted in the normal course of business, the Company has not extended any loans or provided any guarantees during the year under review.

39. **ANNUAL PERFORMANCE EVALUATION**

Pursuant to the provisions of Section 134 and Schedule IV of the Companies Act, 2013, Annual Performance Evaluation of the Board the Directors, Committees as well as individual directors of the Board have been carried out.

The evaluation was conducted on the basis of, which includes, the composition of the Board, the diversity of skills, expertise, and professional backgrounds represented on the Board, adherence to the general corporate governance practices, the qualifications and experience of Directors, their understanding of the Company's business, and the quality of their participation and value addition during Board meetings.

40. LISTING WITH STOCK EXCHANGES

The Company confirms that the Annual Listing Fees for the financial year 2026-27 have been duly paid to BSE Limited, where the Company's Non-Convertible Debentures are listed, within the prescribed timelines.

41. COST AUDIT

The provisions of Section 148 of the Companies Act, 2013 relating to Cost Audit are not applicable to the Company.

42. CREDIT RATING

The CARE Ratings Limited (CARE) has downgraded the rating from "CARE BBB+ Stable" to "CARE BBB Stable" for bank facilities and debt instruments. CRISIL Ratings Limited (CRISIL) has reaffirmed its ratings assigned to the various credit facilities availed by the Company. The rating letters are published on the website of the company.

Name of the Instrument	CARE	CRISIL
Long-term bank facilities	CARE BBB; Stable	Crisil BBB+/Stable
Short-term bank facilities	CARE A3+	-
Long-term instruments	CARE BBB; Stable	-
Short-term instruments	CARE A3+	-
Non-convertible debentures	CARE BBB; Stable	Crisil BBB+/Stable
Commercial paper	CARE A3+	-
Subordinated Debt	-	Crisil BBB+/Stable

43. OTHER DISCLOSURES

a) 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) The Company, in the capacity of Financial Creditor, has not filed any applications with National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016 during the financial year 2025-26 for recovery of outstanding loans against any customer being Corporate Debtor; No application has been filed or pending against the company under Insolvency and Bankruptcy Code, 2016.

c) There was no instance of one-time settlement with any other bank/financial institution during the year under review.

d) The stock exchange had levied a penalty of INR 76,700 for delay in submission of furnishing intimation about meeting of shareholders and Non-submission of annual report within the stipulated timelines.

44. ACKNOWLEDGEMENT

Your Directors take this opportunity in placing on record the valuable contribution and continued support received from the Customers, Business associates and the Shareholders. The Directors also whole-heartedly recognize, acknowledge and commend the dedication and contribution made by the employees at all levels. The Directors are also grateful to the Company's stakeholders and partners including its bankers, lawyers, professional consultants, and all the suppliers, for their consistent and constant support. The Directors place on record their deep gratitude to the Government of India, the various State Governments and all other Government agencies for their continued support and encouragement. The Directors would also like to thank all their colleagues on the Board for their solid support and encouragement. The Directors look forward to their continued support in the future as well.

On behalf of the Board of Directors,
For **Dvara Kshetriya Gramin Financial Services Private Limited**

Sd/-	Sd/-
Samir Amrit Shah	LVLN Murty
Director	Managing Director & CEO
DIN: 00912693	DIN: 09618861

Place: Chennai
Date: 12.08.2026

Corporate Information

CORPORATE IDENTIFICATION NUMBER (CIN)
U65991TN1993PTC024547

Key Managerial Personnel (KMPs)

Name	Designation
Mr. LVLN Murty	Managing Director & CEO
Mr. Abhik Sarkar	Chief Financial Officer (CFO)
Mr. Aravinthan B	Company Secretary

Secretarial Auditors

KSM Associates
S2, Landmarvel, 25, KB Dasan Rd, Seetammal Colony, MIG Colony, Teynampet, Chennai – 600018

Debenture Trustees

Catalyst Trusteeship Limited
GDA House, Plot No. 85, Bhusari Colony (Right), Paud Road, Pune, Maharashtra 411038

IDBI Trusteeship Services Limited
Ground Floor, Universal Insurance Building, Sir Phirozshah Mehta Rd, Fort, Mumbai, Maharashtra 400001

Beacon Trusteeship Limited
5th Floor, E Block BKC, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra 400051

Statutory Auditors

Sharp & Tannan
Parsn Manere, A Wing, Third Floor, 602 Anna Salai, Chennai – 600 006

Internal Auditors

PKF Sridhar & Santhanam LLP
7th Floor, KRD GEE GEE Crystal, 91, 92, Dr Radha Krishnan Salai, Mylapore, Chennai, Tamil Nadu 600004

Registrar & Transfer Agents

Integrated Registry Management Services Private Limited
2nd Floor, “Kences Towers”, No.1 Ramakrishna Street, North Usman Road, T Nagar, Chennai – 600017

Contact for Investor Relations

Mr. Aravinthan B
Company Secretary & Compliance Officer

Stock Exchange Listings

BSE Limited (NCD Listed)
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001

India International Exchange (IFSC) Limited (Bonds Listed)
1st Floor, Unit No. 101, The Signature, Building No. 13B, Road 1C, Zone 1, GIFT SEZ, GIFT City, Gandhinagar, Gujarat – 382050

NSEIX (Bonds Listed)
NSE IFSC Limited, Unit No. 1201, Brigade International Financial Centre, 12th Floor, Block-14, Road 1C, Zone 1, GIFT SEZ, Gandhinagar, Gujarat – 382050

Management Committees

Audit Committee · Nomination and Remuneration Committee · Risk Management Committee · Customer Service & Conduct Oversight Committee · Corporate Social Responsibility Committee · IT Strategy Committee · Asset Liability Management Committee & Product Committee

FY 2025-26 Management Discussion and Analysis

Global Economy

In FY 2025-26, the global economy continued to demonstrate resilience, adapting to evolving geopolitical and economic dynamics while sustaining growth across major regions. While the foundations established by the post-pandemic recovery remained broadly intact, the global economy navigated an increasingly dynamic environment marked by geopolitical developments, evolving trade policies, and varying growth patterns across regions. Despite these challenges, economic activity remained resilient, supported by continued adaptation by businesses, consumers, and policymakers

According to the International Monetary Fund, global output grew approximately 3.4% in 2025, reflecting resilience supported by fiscal stimulus in key economies and easing financial conditions. Looking ahead, global growth is projected to moderate to 3.1% in Calendar Year 2026 and 3.2% in CY 2027. Advanced economies recorded growth of approximately 1.9% in CY 2025 and are projected to maintain a similar pace in CY 2026, supported by stable employment and improving consumer sentiment. Emerging market and developing economies (EMDEs) grew at approximately 4.4% in CY 2025, with projections moderating in CY 2026 amid commodity price pressures, tighter financial conditions for commodity importers, and heightened geopolitical risks.

World Economic Growth (%)

	CY 2025 (Actual)	CY 2026P	CY 2027P
World Output	3.4%	3.1%	3.2%
Advanced Economies	1.9%	1.8%	1.7%
EMDEs	4.4%	3.9%	4.2%

Source: IMF, World Economic Outlook, April 2026 (Reference Forecast) https://www.imf.org/en/publications/weo/issues/2026/04/14/world-economic-outlook-april-2026

Global inflationary pressures continued to moderate during FY 2025-26, with global headline inflation projected at 4.1% in CY 2025. While the pace of disinflation varied across regions, inflation generally trended lower than the elevated levels seen in recent years. Energy and commodity price volatility, alongside geopolitical and trade-related uncertainties, continued to influence the global economic outlook.

The global economy remained resilient despite uneven growth across regions. Strong domestic demand and investment supported growth in several major economies, while evolving trade dynamics and commodity price movements continued to shape the macroeconomic environment

Source: IMF WEO April 2026 - https://www.imf.org/en/publications/weo/issues/2026/04/14/world-economic-outlook-april-2026

Indian Economy

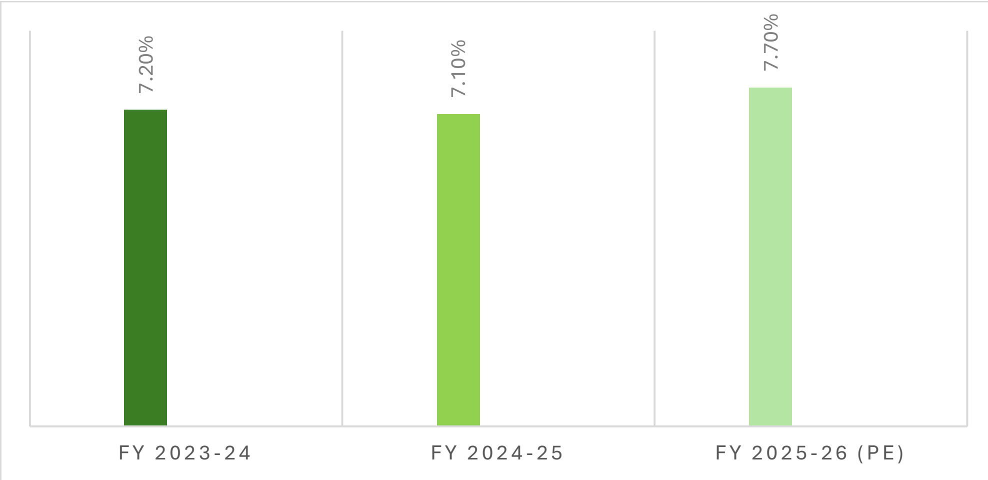
Amidst global challenges, the Indian economy has maintained its position as the fastest-growing major economy in the world in FY 2025-26. According to the Provisional Estimates of National Income, India's real GDP grew at 7.7% in FY 2025-26 at constant 2022-23 prices, surpassing the 7.1% growth recorded in FY 2024-25 and exceeding analyst expectations. Nominal GDP is estimated at INR 346.36 Lakh Crore in FY 2025-26, reflecting a nominal growth rate of approximately 8.9%.

Inflation remained broadly contained during FY 2025-26, with average CPI inflation estimated at approximately 2.6%, supported by easing food price pressures and prudent monetary policy. The stable inflation environment, coupled with robust economic growth, helped strengthen consumer confidence and reinforce India's macroeconomic resilience.

Source: MoSPI/NSO Provisional Estimates - June 5, 2026 https://www.mospi.gov.in

https://www.pib.gov.in/PressReleasePage.aspx?PRID=2220004&reg=3&lang=1

India's GDP Growth (%)



Source: MoSPI/NSO Provisional Estimates of National Income, June 2026 https://www.mospi.gov.in (New base year: 2022-23)

Outlook

India's growth trajectory heading into the coming year rests on a solid foundation. FY 2025-26 saw a favourable rabi season and above-normal southwest monsoon support rural incomes, reinforced by continued government support for the agricultural sector. The Agriculture, Livestock, Forestry and Fishing sector recorded a GVA of INR 56.65 Lakh Crore at current prices in FY 2025-26, though growth moderated to 1.4% year-on-year, reflecting a high base from the previous year's strong 9.2% expansion.

Looking ahead, India's growth is expected to remain broad-based, anchored by continued strength in manufacturing, which grew 10.7% in real terms this year alongside sustained expansion in trade, hotels, transport and communication-related services (11.0% growth) and financial, real estate and professional services (10.4% growth). With the services sector expanding 9.3% and the secondary sector 8.8%, the underlying drivers of growth appear well-positioned to carry forward into FY 2026-27, even as rural and agricultural performance will remain subject to slight variability in monsoon outcomes from year to year.

On the macro front, several tailwinds remain supportive. Contained inflation has given the Reserve Bank of India room to pursue monetary easing, which should continue to ease financing conditions. A stable external position, strengthening corporate and banking sector fundamentals, and the continued formalisation of the economy are together expected to underpin sustained growth, even as global trade uncertainties persist. For Dvara KGFS, this backdrop is expected to shape a broadly supportive operating environment for expanding financial inclusion across its geographies in the year ahead, notwithstanding the inherent seasonality and slight weather-linked variability of rural incomes.

Source: MoSPI, PIB, RBI Monetary Policy Statements, Union Budget 2025-26 https://theprint.in/economy/indias-gdp-beats-estimates-to-grow-at-7-7-in-fy26-manufacturing-services-sector-drive-growth/2952061/

https://www.mospi.gov.in/uploads/latestReleases/latest_release_1780655857536_5ac01869-ca4a-422d-b7a7-57b81da60932_Press_Note_on_GDP_Estimates_for_Q4_2025-26_and_PE_FY_2025-26

Industry Overview

NBFC Industry

NBFC credit has historically grown faster than India's GDP, reflecting the sector's expanding role in the financial system. NBFCs continue to play a pivotal role in extending credit to first-time borrowers, accounting for more than 60% of New-to-Credit accounts, while banks remain relatively cautious in this segment. In the MSME lending space, PSU banks continue to dominate larger-ticket exposures, whereas NBFCs have strengthened their presence in smaller-ticket lending.

While lending growth moderated across lender categories during FY 2025-26, NBFCs continued to contribute meaningfully to MSME credit expansion. Between March 2026 and April 2026, MSME lending by NBFCs grew by 3.2%, compared with 4.9% during the corresponding period of the previous year, indicating a moderation in growth amid evolving market conditions. Nevertheless, NBFCs remain well positioned to support credit demand across underserved customer segments.

The secured lending market, particularly gold loans, continued to witness strong momentum during FY 2025-26. While public sector banks remained the largest originators by value, their market share declined from 51.1% in Q4 FY 2023-24 to 44.6% in Q4 FY 2025-26, reflecting increasing participation by NBFCs. Over the same period, NBFCs increased their share of gold loan originations by value from 20.7% to 31.6%, supported by faster loan processing and specialised underwriting capabilities.

The increasing formalisation of micro and small enterprises is also creating sustained demand for customised business financing, reinforcing the role of NBFCs in serving customer segments that remain underserved by traditional banking channels.

Looking ahead, the sector is expected to maintain healthy growth, supported by demand from retail, MSME and housing segments. Strong balance sheets, prudent risk management and diversified funding sources will remain key differentiators for sustainable growth.

Source: CRIF High Mark's Bridging the Gap report, May 2026

CRIF High Mark MSMEx Spotlight - June 2026

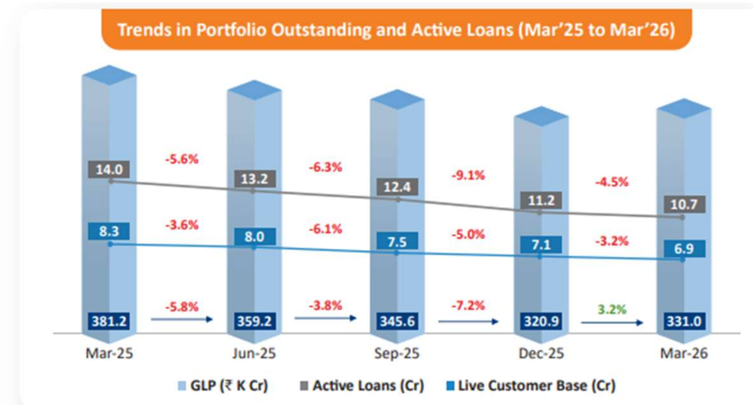
Microfinance Industry (MFI) Overview

The Indian microfinance industry remains a critical enabler of financial inclusion, providing formal credit access to low-income and underserved households across rural and semi-urban India. Despite a challenging operating environment in **FY 2025-26**, the sector demonstrated resilience through strong last-mile engagement, disciplined lending practices, and enhanced regulatory oversight. The implementation of MFIN's guardrails strengthened underwriting standards and promoted responsible lending across the industry.

The Government of India's announcement of an INR 20,000 Crore credit guarantee scheme for microfinance institutions further reinforced confidence in the sector and supported its transition from a phase of correction towards sustainable growth. As of March 31, 2026, the industry's gross loan portfolio (GLP) stood at INR 3.31 lakh Crore. NBFC-MFIs continued to dominate the sector with a 44.2% share of the portfolio, followed by banks at 32.7%, while Small Finance Banks (SFBs) and NBFCs accounted for the remaining share. On a year-on-year basis, all lender categories witnessed a decline in outstanding portfolios, with banks recording the sharpest decline of 30.0% and NBFC-MFIs the lowest decline of 2.7%.

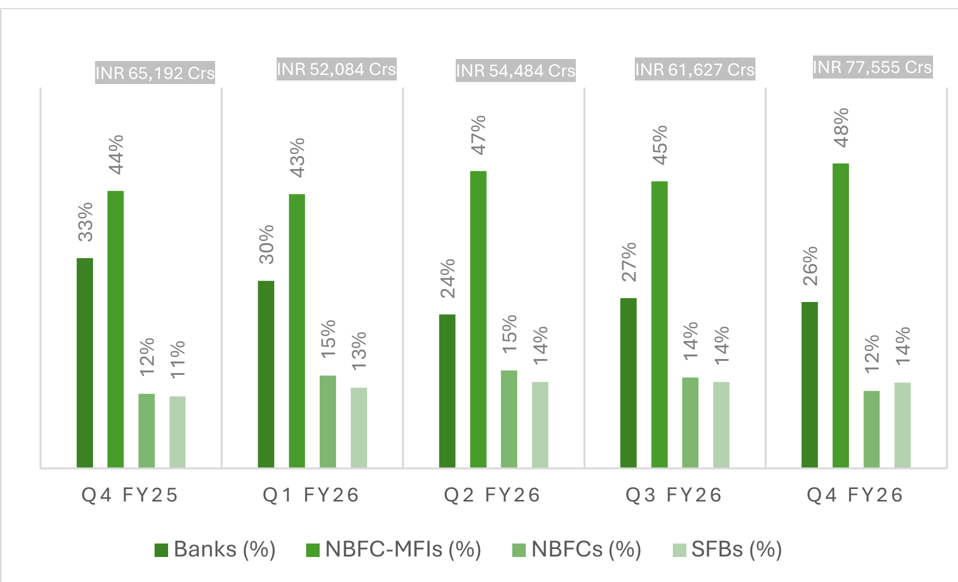
Source: MFIN Micrometer, Q4 FY 2025-26 (57th Edition)

Trends in Microfinance



The industry showed encouraging signs of recovery in lending activity during the latter part of FY 2025-26. The average ticket size increased by 18.3% YoY to INR 61,500 in Q4 FY 2025-26, reflecting a continued shift towards higher-value loan originations. Total loans disbursed rose 22.8% QoQ to 126.1 lakh loans in Q4 FY 2025-26, recovering from a low of 94.0 lakh loans in Q2 FY 2025-26. Notably, 57% of originations during the quarter were extended to existing borrowers progressing to their next loan cycle with the same lender, indicating improved borrower retention and lender confidence.

Lender-wise Originations Value Trends



Source: CRIF High Mark, *MicroLend – Quarterly Microfinance Lending Insights*, May 2026; "Lender-wise Originations Value Trends (Q4 FY25–Q4 FY26)."

NBFC-MFIs remained the key drivers of the recovery in originations, recording a 33.8% QoQ increase in disbursement value and a 29.7% QoQ increase in disbursement volume during Q4 FY 2025-26. They accounted for nearly 48.0% of the total value of industry originations. Total quarterly disbursements reached INR 77,555 Crore in Q4 FY 2025-26, the highest level in seven quarters. Across lender categories, growth in disbursement value outpaced growth in loan volumes, highlighting a continued shift towards higher ticket-size lending.

Source: CRIF Highmark *MicroLend* Report, May 2026 - https://www.crifhighmark.com

CareEdge Ratings Note on MFI Sector, 2026

Rural Financing

India's rural economy continues to be a cornerstone of the nation's broader development ambition, and the financial architecture supporting it has grown commensurately in depth, reach, and institutional maturity. Sustained policy intent, progressive budgetary prioritisation, and evolving delivery mechanisms have together created a more inclusive and resilient rural credit ecosystem.

India's rural financing landscape has witnessed significant expansion, supported by sustained public investment and policy interventions aimed at strengthening rural infrastructure, livelihoods, and institutional capacity. Union Budget allocations for Rural Development have increased from INR 87,765 Crore in 2016-17 to INR 2,73,108 Crore in 2026-27, while Ground Level Credit (GLC) in agriculture has grown from INR 8 Lakh Crore in FY 2014-15 to INR 32.5 Lakh Crore in FY 2025-26. Targeted initiatives, including dedicated credit allocations for allied agricultural activities and financing against electronic Negotiable Warehouse Receipts (e-NWRs), further reflect the continued emphasis on enhancing access to formal rural finance.

Notwithstanding these structural advances, a meaningful credit gap persists in rural markets. According to SIDBI's 2025 MSME sector report, the overall addressable MSME credit gap in India remains approximately INR 30 Lakh Crore, with rural markets accounting for nearly one-third of the total unmet credit demand, exceeding the corresponding gap in urban areas. This shortfall is attributable to the relatively limited presence of formal financial institutions and lower levels of industrialisation, which continue to constrain access to working capital and inventory financing for rural micro and small enterprises. Consequently, the financing gap has implications not only for enterprise growth and productivity but also for household income resilience and the broader rural economy.

Alongside improving access to formal finance, the credit needs of rural households are becoming increasingly diverse. As micro and small enterprises expand and rural livelihoods evolve beyond agriculture, demand is rising for working capital, business expansion finance, and other income-generating loans. At the same time, secured credit products are gaining relevance among borrowers seeking larger-ticket financing backed by assets. These changing borrowing patterns underscore the need for financial institutions to offer a diversified portfolio of responsible credit solutions tailored to different stages of customers' financial journeys.

Overall, India's rural financing landscape continues to evolve, underpinned by sustained policy support, expanding formal credit, and strengthening institutional frameworks. At the same time, the persistent rural credit gap highlights the need for financial institutions that can extend responsible, accessible, and context-specific financial solutions to underserved communities. As rural enterprises and households increasingly seek formal financial services, the sector remains well positioned for sustained, inclusive, and credit-led growth.

Sources: https://www.pib.gov.in/PressReleasePage.aspx?PRID=2213154&reg=3&lang=2

https://www.pib.gov.in/PressReleasePage.aspx?PRID=2227484&reg=3&lang=1

https://www.pib.gov.in/PressReleasePage.aspx?PRID=2221794&reg=3&lang=1

https://www.sidbi.in/uploads/Understanding_Indian_MSME_sector_Progress_and_Challenges_13_05_25_Final.pdf

PIB Union Budget 2026-27

Understanding Indian MSME sector, Progress and Challenges, June 2025

Rural Women-led Micro Enterprises

Rural India accounts for approximately 54% of the country's MSMEs, with the vast majority comprising micro enterprises, many of which operate as own-account businesses with limited scale and formal financial footprints.

These enterprises continue to face challenges in accessing institutional finance due to constrained banking outreach, limited collateral, inadequate documentation, and underdeveloped infrastructure, resulting in a disproportionately large share of the country's addressable credit gap. Women entrepreneurs play a particularly important role in the rural MSME ecosystem, with rural areas accounting for a higher share of women-owned enterprises than urban areas. However, women-led enterprises continue to encounter barriers to accessing formal finance, including lower awareness of financial schemes and limited access to networks and business support. Strengthening access to responsible and inclusive financial services for rural women-led micro enterprises remains essential to promoting entrepreneurship, employment generation, and sustainable rural economic development.

Source: Understanding Indian MSME sector, Progress and Challenges, June 2025

Opportunities and Threats

Financial Inclusion

The Indian government and RBI continue to advocate for greater financial inclusion, ensuring access to banking services for underserved populations. The flagship Pradhan Mantri Jan Dhan Yojana (PMJDY) has achieved a historic milestone; it has benefited 58.50 Crore individuals, with deposit balances reaching INR 3.03 Lakh Crore. Approximately 45.7% of accounts are in rural and semi-urban areas, and 32.6% are held by women, reflecting the scheme's deep penetration into underserved communities.

This compares to 52.5 Crore beneficiaries with INR2.28 Lakh Crore in deposits as of June 2024, reflecting continued growth in financial inclusion. Payment banks, Business Correspondents (Bank Mitras), and Digital Banking Units (DBUs) play a crucial role in extending last-mile banking access, particularly for rural and semi-urban populations.

Source: pmjdy.gov.in, June 2026, https://pmjdy.gov.in/

Growing Rural Economy

With increasing rural income and economic activities, demand for financial services in rural areas continues to grow. As rural communities become more economically active, aided by increased agricultural productivity, government welfare programmes, and expanding rural digital infrastructure, the need for tailored credit, savings, insurance, and investment products increases. NBFCs are well-positioned to tap into this expanding market.

Technological Advancements

The adoption of digital technologies, mobile banking, and fintech solutions continues to revolutionise the microfinance sector. The Unified Payments Interface (UPI) has emerged as the backbone of India's digital payment ecosystem, processing over 24,162 Crore transactions worth approximately INR 314 Lakh Crore in FY 2025-26, representing a nearly 12,000-fold increase in volume since launch in FY 2016-17. The number of banks live on UPI has grown from 44 in FY 2016-17 to 703 in FY 2025-26, enabling deep geographic reach. UPI now accounts for 85% of all digital payments in India.

Mobile banking allows customers to conduct transactions and access financial services from their devices, while digital platforms enable MFIs to reach remote customers more effectively. Data analytics and AI-driven tools help MFIs assess creditworthiness more accurately, enhancing operational efficiency and reducing costs.

Source:

PIB Press Release on UPI 10th Anniversary, April 30, 2026 - https://www.pib.gov.in/PressReleasePage.aspx?PRID=2257087

Partnerships and Collaborations

The evolving financial services ecosystem presents significant opportunities for NBFCs to strengthen their market presence through strategic partnerships. Collaborations with banks, fintechs, digital platforms, insurance providers, technology companies, and government-led digital infrastructure can help expand customer reach, improve operational efficiency, and diversify product offerings.

For institutions serving rural and underserved markets, partnerships with agri-value chain players, MSME ecosystem enablers, e-commerce platforms, self-help groups, producer organisations, and business correspondents can enhance customer acquisition and deepen financial inclusion. Such collaborations also facilitate access to data-driven credit assessment, embedded finance solutions, and digital service delivery, enabling NBFCs to better address evolving customer needs while maintaining prudent risk management.

Diversification of Services

NBFCs have significant opportunities to expand beyond traditional lending into a broader suite of financial products. Rising rural incomes, growing financial awareness, and increasing digital adoption are creating demand for insurance distribution, wealth management, supply chain finance, and green lending, particularly in EV and renewable energy financing. As per the RBI's Report on Trend and Progress of Banking in India 2024-25, NBFC credit as a share of GDP rose to 14.6% at the end of March 2025, up from 13.5% a year earlier. The sector maintained a strong CRAR of 25.9%, reflecting healthy capital buffers. Emerging co-lending arrangements between banks and NBFCs further present an opportunity to deepen credit flow to underserved segments such as MSMEs, agriculture, and retail borrowers. NBFCs are well-positioned to capture this growing opportunity through agile, technology-driven, and customer-centric business models.

Source: RBI, Report on Trend and Progress of Banking in India 2024-25, December 2025

Threats

While the NBFC sector presents significant growth opportunities, it also faces a range of structural and emerging threats that warrant close monitoring.

Asset Quality and Credit Risk: The overall risk in the NBFC sector, as reflected in the Non-Banking Stability Indicator (NBSI), rose in September 2025 compared to its eight-year low in September 2024, signalling a gradual build-up of sectoral stress. The RBI's Financial Stability Report, December 2025, further noted that unsecured retail lending and microfinance segments remain under pressure, requiring continued underwriting discipline.

Concentration and Interconnectedness Risk: Banks are acquiring around 80% of NBFC-originated assets through a limited number of NBFCs, creating correlated risk and potential amplification of stress. Co-lending concentration rose to around 85% by September 2025, highlighting over-reliance on a small set of large NBFC partners

Regulatory and Cybersecurity Compliance: The RBI issued the Credit Risk Management Directions 2025, Concentration Risk Management Directions 2025 (amended January 2026), and Outsourcing Risk Directions 2025, with cybersecurity incident reporting timelines tightened to six hours from detection, increasing the compliance burden particularly for mid-sized and smaller NBFCs.

Funding and Liquidity Risk: Return on Assets for the NBFC sector declined marginally to 2.71% in December 2025 from 2.89% a year earlier, while Net Interest Margins also compressed slightly, reflecting rising funding costs and tighter liquidity conditions impacting overall profitability.

NBFCs must proactively strengthen risk management frameworks, diversify funding sources, and invest in technology and governance to navigate these evolving threats effectively.

Sources: RBI Financial Stability Report, December 2025; RBI Bulletin, April 2026; RBI Credit Risk Management Directions 2025

Industry Outlook

India's NBFC sector continues on a strong growth trajectory backed by improving fundamentals. As per the RBI Bulletin April 2026, the sector maintained a CRAR of 25.59% in December 2025, well above regulatory minimums, while GNPA improved from 2.52% in December 2024 to 2.14% in December 2025, reflecting strengthening asset quality. The Economic Survey 2025-26 notes that infrastructure financing is transitioning from bank-dominated lending to a diversified ecosystem led by NBFCs, capital markets, InvITs, and REITs, improving risk-sharing and long-term funding stability. The sector's long-term ambition, as articulated by the Government, is to raise NBFCs' share of credit disbursed by Scheduled Commercial Banks from the present 24% to at least 50%, channelling credit towards MSMEs, affordable housing, and green finance.

Micro Finance Industry's Joint Liability Group (JLG) model, as recognised by RBI and NABARD, extends collateral-free credit to small and marginal farmers, tenant farmers, and micro-entrepreneurs by leveraging social collateral through peer groups of 4 to 10 members. Banks, NBFCs, and Small Finance Banks together account for approximately 60% of the microfinance sector's market share, reflecting their growing role in last-mile credit delivery.

Overall, the industry is well positioned to drive scale, product diversification, and digital adoption at one end, while deepening penetration through community-based, trust-led, last-mile delivery at the other. Strengthening this complementary approach, underpinned by responsible lending practices and technology adoption, remains central to India's financial inclusion agenda.

(Sources: RBI Bulletin, April 2026; PIB; NABARD Status of Microfinance in India 2023-24)

https://www.pib.gov.in/PressReleasePage.aspx?PRID=2213154&reg=48&lang=2

Company Overview

Dvara Kshetriya Gramin Financial Services (hereafter referred to as 'Dvara KGFS' or 'the Company') was established in 2008, providing a wide array of financial services across rural India. Dvara KGFS is a registered non-deposit-taking systemically important middle-layer NBFC recognised by the RBI. The Company also offers a wide range of services through its unique omnichannel model, operating a multi-touch point servicing model with branches in rural areas of the country, toll-free, agent support and digital services, adopting the 'Wealth Management Approach'. Leveraging strong digital technology, a well-established agent network, skilled personnel, and efficient resource management, the Company effectively reaches villages, aligning with the aspirations of rural communities and contributing to their broader economic and financial well-being.

The Company continued to leverage its extensive physical distribution network of 421 branches across 11 states during FY 2025-26. Its well-established presence in rural and semi-urban markets enables it to maintain close customer relationships, deliver financial services at the last mile, and address the evolving financial needs of individuals and micro-enterprises. The branch network remains a key enabler of the Company's customer-centric approach and financial inclusion objectives. Dvara KGFS recorded INR 1,921.73 Crore in Assets Under Management (AUM) as of March 31, 2026.

Products and Services

The Company offers a diverse range of services, including wealth management and a comprehensive suite of products tailored to meet various client needs. They are being shown as follows

Loans

- Joint Lability Group Loan
- Enterprise Loan (unsecured)
- Cattle Loan
- Jewel Loan
- Consumer Loan
- Loan Against Property (secured)
- Supply Chain Financing

Insurance

- Portfolio (Credit)
- Personal Accident
- HospiCash

Banking Correspondent Services

- AEPS Cash Withdrawals & Balance
- Enquiries
- Prepaid Recharges
- Domestic Money Transfer
- DTH Recharges
- BBPS Bill Payment Services

Key Business Strengths and Strategies

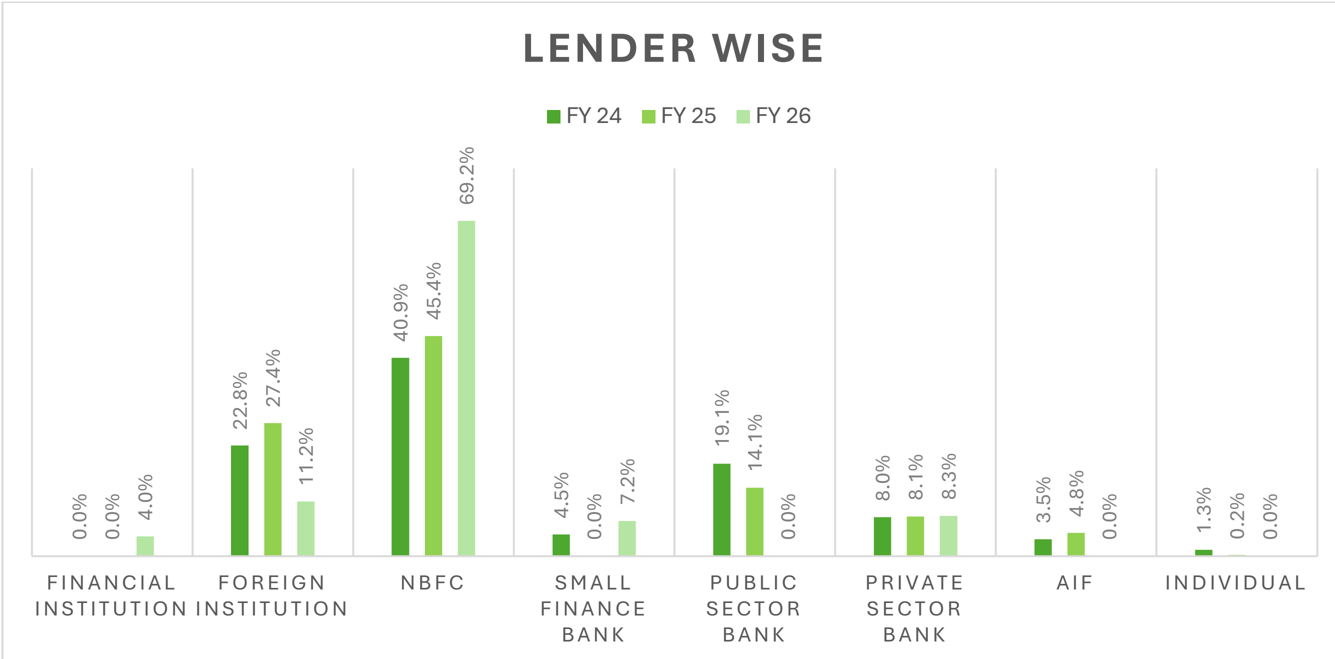
Strong Leadership and Expertise in Rural Finance

The Company has a skilled board and management team with extensive experience in MFIs and NBFC operations, enabling it to operate at peak efficiency and deliver strong performance. Dvara KGFS, supported by Dvara Trust's extensive rural financing expertise for over 18 years, has developed a robust business model and processes, establishing itself as a leader in rural finance.

The Company continues to innovate and diversify its product portfolio to address the evolving financial needs of rural households and micro and nano enterprises through a range of solutions including Joint Liability Group (JLG) loans, Enterprise Loans, secured lending products such as Gold Loans and Micro Loans Against Property. As of March 31, 2026, the Gold Loan product was available across 162 branches in four states Tamil Nadu, Karnataka, Andhra Pradesh, and Uttarakhand strengthening the Company's ability to meet the growing demand for secured credit in its operating markets. Leveraging deep community engagement through locally recruited staff and advanced technology platforms, including its Customer Management System (CMS), Core Banking Solution (CBS), biometric verification processes, and centralised audit systems. The Company continues to extend responsible financial services to underserved rural communities.

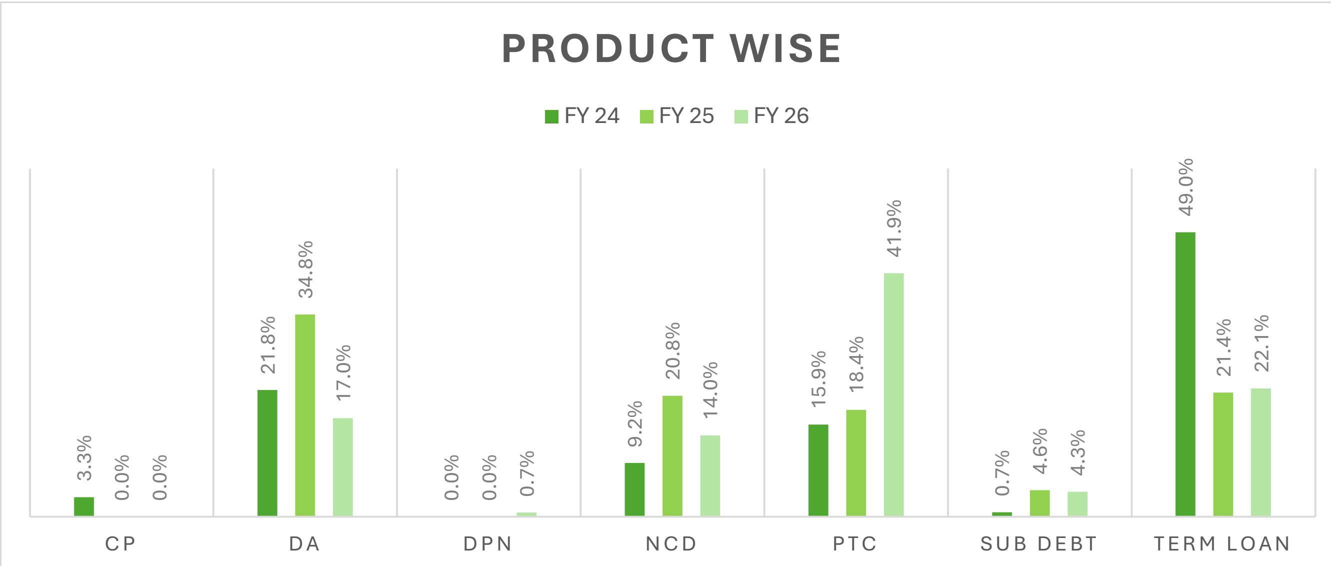
Robust and Diversified Resource Profile

Dvara KGFS's resource profile is strong and diversified, with partnerships with over 50 lenders, including banks, small finance banks, NBFCs, and domestic and international financial institutions. The Company's position has been strengthened by acting as a business correspondent for NBFCs and banks. The Company has successfully accessed the overseas debt market, aiming to reduce borrowing costs and fortify its diversified funding sources. The Company has 2.73 million loan accounts with INR 1,465.18 Crore disbursed in loans and 9.7 Lakh lives insured. Dvara KGFS has raised INR 991.6 Crore from multiple domestic and foreign impact investors in FY 2025-26, strengthening its financial base and supporting its growth initiatives. Additionally, the company entered into a strategic partnership with Bajaj General Insurance this year to strengthen access to insurance solutions for rural households, addressing critical risks faced by livestock-dependent families.


LENDER WISE
FY 24
FY 25
FY 26
0.0%
0.0%
4.0%
22.8%
27.4%
11.2%
40.9%
45.4%
69.2%
4.5%
0.0%
7.2%
19.1%
14.1%
0.0%
8.0%
8.1%
8.3%
3.5%
4.8%
0.0%
1.3%
0.2%
0.0%
FINANCIAL INSTITUTION
FOREIGN INSTITUTION
NBFC
SMALL FINANCE BANK
PUBLIC SECTOR BANK
PRIVATE SECTOR BANK
AIF
INDIVIDUAL

Debt Raise - Robust borrowing product profile

Product Mix



Extensive Rural Reach

Dvara KGFS typically serves agricultural and micro and nano-enterprise households earning between INR 250,000 and INR 500,000 (annually) though life stock rearing, retail trade and other small income-generating activities. For this segment, access to formal, need-based credit remains critical to sustaining and growing their livelihoods. Access to formal institutional credit remains a persistent constraint for India's micro and nano entrepreneurs, which is also observed to have direct implications for household income stability and the broader local economy. Dvara KGFS has built an extensive reach in rural areas through dedicated efforts, catering to customers in tier 5 and tier 6 locations where Financial inclusion matters most. The Company's strong presence is facilitated by a well-established network of 421 branches, strategically covering 113 districts and reaching approximately 25,983 villages across 11 states in India. As part of its core strategy, Dvara KGFS prioritises deep penetration and personal connections with households and businesses in the villages it serves.

Active borrowers	Urban / Rural penetration		
	FY 2024	FY 2025	FY 2026
Rural	67.91%	65.75%	80.1%
Urban	32.09%	34.25%	19.9%

Expanding Geographical Footprint

Dvara KGFS successfully reduced its concentration risk in Tamil Nadu by increasing the business contribution from non-Tamil Nadu states, from 49% at the end of FY 2023 - 24 to 54.6% by the end of FY 2025 - 26. This strategic shift reflects the Company's continued focus on expanding its footprint, optimising operations, and building a more balanced and resilient portfolio for sustainable growth.

Strategic Product Diversification

Dvara KGFS prioritises product diversification to effectively meet customer needs by adhering to its PGPD approach (Plan, Grow, Protect, and Diversify). The Company's key focus product, the Enterprise Loan, achieved a milestone by reaching INR 784.1 Crore of AUM in FY 2025-26, now accounting for 40.8% of the Company's overall portfolio and reinforcing its position as a core income-generating product. This has been complemented by the growing Jewel Loan and Micro Loan Against Property book, adding a secured, asset-backed dimension to the Company's diversification strategy. Such strategic efforts ensure a comprehensive product portfolio, catering to diverse customer requirements and driving sustainable growth.

Comprehensive Wealth Management Solutions

Recognising that financial resilience extends beyond credit and savings, Dvara KGFS offers a suite of protection products, including Personal Accident Insurance, Hospicash, EMI Protection, and Cattle Insurance, designed to shield customers from unforeseen financial shocks.

The Company further extends access to essential digital financial services including AEPS, BBPS, Domestic Money Transfer, and Mobile and DTH Recharge through its extended Mitra agent network in rural villages, managed by the digital team. Beyond enabling access, this network also creates a new source of income for the Mitra agents themselves, embedding livelihood generation within last-mile service delivery.

These services collectively make up the Company's Wealth Management offerings, which generated income of INR 7.916 Cr in FY 2025-26. Through this comprehensive, protection-led approach, Dvara KGFS continues to empower customers to save effectively and safeguard their long-term financial well-being.

Expanding Omni-Channel Customer Services

The Company's omni-channel approach to customer engagement, combining its branch network with digital channels such as customer service helplines, toll-free support, and 24x7 customer care through the MyKGFS WhatsApp chatbot, has been a longstanding pillar of its service delivery model. In FY 2025-26, the Company continued to strengthen this approach, deepening customer engagement and further improving access to its services across these channels.

A key development during the year was the introduction of AI-powered voice calls in vernacular languages to reach customers with overdue payments, enabling timely and scalable repayment reminders while human touchpoints continued to handle more sensitive conversations.

This layered model of branch presence, round-the-clock digital support, and AI-enabled vernacular outreach and toll-free support ensures that customers across remote and underserved geographies have reliable, low-friction access to the Company, while the branch team can focus on high-value, in-person interactions. This reflects the Company's sustained commitment to accessible, customer-centric financial services across its footprint in the 11 states it operates in.

Active Network of Digital Agents

As of March 31st 2026 , the Company successfully onboarded 10,304 Digital Agents. These agents were selected from existing Dvara customers who operated small shops or businesses in the serviced villages. These Digital Agents offer various value-added services, including AePS (Aadhaar-enabled Payment System), Bharat Connect Services, Cash Management services and Domestic Money Transfer for customers by acting as an extension of the KGFS Branches. This expanded digital agent network enhances the Company’s reach and allows it to provide convenient and accessible services to a broader customer base.

Enhancing Customer Engagement Through KGFS Direct

The KGFS Direct team was instrumental in reaching out to overdue customers in the 60-90 and 90-180-day brackets, offering essential support to the branches for collections. Leveraging AI technology, the team has set up vernacular AI agents for collecting from overdue customers, which has improved productivity and turnaround ratio. Additionally, they focused on generating business leads by contacting enrolled but not yet disbursed customers and non-KGFS customers who conducted transactions at KGFS Digital agent points. This proactive approach improves customer engagement and provides thorough support throughout their financial journey.

Improving Customer Engagement And Collection Efficiency

In FY 2025-26, the Company's team of 2,317 wealth managers were pivotal in contacting overdue customers, aiding branch collections, and generating business leads. The scheduled collection efficiency showed a steady recovery, reaching an impressive 99.1% by 31st March 2026. Throughout FY 2025-26, the month-on-month collection efficiency averaged a notable 90%.

Convenient Customer Service Through Mykgfs Whatsapp

The MyKGFS WhatsApp chatbot service is a key digital initiative aimed at enhancing customer convenience and accessibility. It allows customers to access essential financial service-related information and receive real-time responses to their queries directly through WhatsApp, in 5 languages (Tamil, Kannada, Hindi, Odia, English). By offering instant support on a familiar platform and in local languages, the chatbot strengthens the overall customer experience and reinforces Dvara KGFS's commitment to inclusive, tech-enabled financial service delivery.

Strong Presence In 11 States

State	Branches	AUM (in INR Cr)	AUM (%)
Tamil Nadu	181	871.61	45.4%
Odisha	43	145.15	7.6%
Bihar	42	243.30	12.7%
Karnataka	39	163.32	8.5%
Jharkhand	27	142.27	7.4%
Uttar Pradesh	20	80.70	4.2%
Chhattisgarh	18	76.88	4.0%
Uttarakhand	15	70.96	3.7%
Haryana	16	52.61	2.7%
Punjab	10	50.03	2.6%
Andhra Pradesh	10	24.89	1.3%
Total	**421**	**1,921.73**	**100.0%**

Customer Information

	31-03-2026	31-03-2025	31-03-2024	31-03-2023
Number of active customers	3,78,308	5,70,747	6,23,555	4,96,240
Number of female	3,35,908	5,34,132	5,90,130	4,62,405
Number of rural customers	2,54,385	3,73,077	4,23,466	4,56,321
Number of outstanding	3,85,949	5,90,227	6,59,804	5,28,306
New loans disbursed	1,45,238	2,28,775	3,70,279	3,52,711
Number of states	11	11	10	10
Number of branches	421	427	390	378

Product Portfolio (As of March 31, 2026)

While JLG loans remained the largest segment at 57.3% of AUM, the Company continued to strengthen its product portfolio through the growth of Enterprise Loans, which accounted for 40.8% of AUM in FY 2025-26. The portfolio was further strengthened by the gradual expansion of secured lending products, including Jewel Loans and Micro Loans Against Property, enabling the Company to address a broader range of customer financing requirements while building a more balanced loan portfolio.

Loan Products

Particulars	AUM (in INR Cr)	% of AUM
Joint liability group loans (JLG)	1,101.7	57.3%
Enterprises loan (EL)	784.1	40.8%
Personal loans	15.4	0.8%
Jewel loans	11.9	0.6%
Home improvement loans	0.15	0.01%
Others	8.5	0.4%
Grand total	**1,921.7**	**100%**

Third Party Products

Third-party products aid the Company in providing a wide range of financial services, strengthening its value and meeting various customer needs.

Particulars	Subscriptions
Insurance products (Portfolio Insurance/PAI/Hospi Cash/EMI Protection/Cattle Insurance)	**4,75,153**
AePS withdrawals (branch)	**74,724 Transactions (Worth INR 12.94 Crore)**

Strong Performance Over The Year

Operational Metrics

Particulars	31-03-2026	31-03-2025
Number of Branches	421	427
Number of States	11	11
Disbursements (INR Cr)	1465.18	1135.8
Assets Under Management (INR Cr)	1,921.735	2201.9
Fresh Debt raised (INR Cr)	991.6	1350
Gross Non-Performing Assets	3.66%	8.53%
Net Non-Performing Assets	1.64%	3.91%

Financial Snapshot

Particulars	31-03-2026	31-03-2025
Net Worth (INR Cr)	414.04	424.15
Total Debt (INR Cr)	1799.54	1749.41
Debt-Equity Ratio	4.35 times	4.12 times
Revenue (INR Cr)	503.6	603.85
Financial Cost (INR Cr)	233.69	262.04
Operating Expenses (INR Cr)	207.13	182.57
Impairment on Financial Assets (INR Cr)	103.27	160.84
Profit Before Tax (INR Cr)	-40.49	-1.6
Profit After Tax (INR Cr)	-36.84	1.18
Return on Assets (%)	-1.8%	0.05%
Return on Equity (%)	-8.9%	0.28%
Capital Adequacy Ratio (%)	24.25%	23.92%

Risk Management

The Risk Management Committee (RMC) supports the Board by overseeing the development and implementation of risk management strategies, policies, and procedures. The RMC establishes risk measures and limits for various business lines, actively monitoring performance to ensure compliance with these limits. This collaborative approach ensures robust risk management, contributing to the organisation's stability and sustainable growth. The RMC also provides continuous oversight and mitigation of credit risk, operational risk, market risk, concentration risk, liquidity risk, and technology risk. The Company has adopted a comprehensive, structured risk management strategy. This proactive approach involves identifying potential risks and developing action plans to mitigate them, ensuring long-term viability.

Internal Control Systems And Their Adequacy

The internal audit function at Dvara KGFS provides ongoing independent assurances on the quality and effectiveness of internal controls and operational processes. It conducts various audits based on risk parameters identifying the process gaps and initiating corrective actions. The published reports are reviewed by the management team for follow-up actions using an audit management software platform. Regular reviews with branches and stakeholders address process gaps, feedback, and improvement areas. Additionally, the internal audit team performs non-starter customer visits and overdue customer tele-calling to identify potential risks, sharing findings with the risk and field teams for necessary actions. Overall, the internal audit function ensures operational efficiency, risk mitigation, and continuous improvement within the organisation.

Technology

Technology remained a key enabler of operational efficiency, customer service, and risk management during the year. Key initiatives included remote documentation and disbursement for Enterprise Loans, end-to-end digitisation of customer onboarding, and automated KYC validations to enhance accuracy and reduce processing time. The KGFS Score enabled risk-based customer profiling and differentiated business rules. Video-based credit appraisal improved productivity, while claims process automation strengthened coordination across stakeholders. Technology-enabled collection monitoring and conversational AI solutions further supported customer engagement and collections. These initiatives enhance operational resilience, improve customer experience, strengthen controls, and support the organisation’s scalable and sustainable growth.

Human Resource (HR)

Dvara KGFS transformed its HR service delivery model to create a high-performance yet empathetic partnership with employees and stakeholders to address new challenges and uphold its values. The learning and development team provides comprehensive training, covering product, process, and soft skills, through a mix of classroom, virtual, and on-field sessions. They organised various engagement initiatives and team-building activities to promote employee connectivity and strengthen the organisation. As of March 31, 2026, Dvara KGFS had 3,887 employees and onboarded 2,695 new employees during FY 2025-26, reflecting strong talent acquisition capabilities in a competitive talent environment and reinforcing the workforce needed to support its expanding rural operations.

Cautionary Statement

This document includes statements regarding anticipated future events, financial and operational outcomes of Dvara KGFS, which are forward-looking. Due to their nature, forward-looking statements necessitate our Company to make assumptions and are susceptible to inherent risks and uncertainties. There is a substantial risk that these assumptions, predictions, and other forward-looking statements may prove inaccurate. Readers are advised against placing undue reliance on such forward-looking statements, as several factors could cause actual future results and events to differ significantly from those expressed in these statements. Therefore, this document is subject to the disclaimer and is qualified in its entirety by the assumptions, qualifications, and risk factors outlined in Dvara KGFS Management Discussion and Analysis in the Annual Report for FY 2025-26.

ANNEXURE A

Details of Employees' Stock Option Scheme pursuant to the provisions of Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 for the year ended March 31, 2026

Details	ESOP
Options granted	60,225
Options vested	24,694
Options exercised	Nil
Total number of shares arising as a result of exercise of option	Nil
Options lapsed/(forfeited)	23,947
Exercise price (in INR)	INR 462
Variation of terms of options	Nil
Money realised by exercise of options (in INR)	Nil
Total number of options in force as of March 31, 2026	2,16,083
Options granted to Key Managerial Personnel:	1. Mr. L V L N Murty, Managing Director & Chief Executive Officer – 8,000 2. Mr. Abhik Sarkar, Chief Financial Officer – 4,000 3. Mr. Aravinthan B, Company Secretary – NIL
Other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year.	1. Mr. Ramkumar R 2. Ms. Vidya Sambasivam 3. Mr. Rahul Tripathy 4. Mr. Bikram Mishra 5. Mr. Srinivasan D
Identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.	-Nil-

On behalf of the Board of Directors,
For **Dvara Kshetriya Gramin Financial Services Private Limited**

Sd/-

Samir Amrit Shah
Chairperson
DIN: 00912693

Sd/-

LVLN Murty
Managing Director & CEO
DIN: 09618861

Place: Chennai
Date: 12.08.2026

Annexure B

Details of remuneration as required to be provided under Section 197 of the Companies Act, 2013 read with Rule 5 of Companies (Appointment and Qualification of Managerial Personnel) Rules, 2014.

(i) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	Remuneration of Directors 1. Ms. Bindu Ananth – Nil[#] 2. Mr. Samir Amrit Shah – Nil[#] 3. Mr. Raman Uberoi – Nil* 4. Mr. Pranav Kumar – Nil[#] 5. Ms. Gowri Thyagarajan – Nil* 6. Mr Hemant Ratnakar Adarkar – Nil* 7. Ms. Anisha Motwani- Nil* 8. Mr. John Henry Fischer – Nil[#] 9. Mr. Arvind Kodikkal – Nil[#] 10. Ms. Lone Sondergard – Nil[#] 11. Mr. Anders Hernaes Thorbjornsen – Nil[#] 12.Mr. LVLN Murty – **136.93 Lakhs** 13. Ms. Shreya Deb – Nil* Ratio of Remuneration with employees **1.53 %**
(ii) the percentage increase/(decrease) in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	1. Mr. L V L N Murty, Managing Director & Chief Executive Officer – 6**%** 2. Mr. Abhik Sarkar, Chief Financial Officer - Nil 3. Mr. Aravinthan B, Company Secretary – Nil Above mentioned increase/decrease in remuneration were based on actual payment made during the year.
(iii) the percentage increase in the median remuneration of employees in the financial year;	**9.5%**
(iv) the number of permanent employees on the rolls of the Company as on 31st March 2026	3887
(v) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if	Average percentiles increase in non-managerial personnel = **11%** Average percentiles increase in Managerial personnel = **9%**

there are any exceptional circumstances for increase in the managerial remuneration.	
(vi) affirmation that the remuneration is as per the remuneration policy of the Company.	It is confirmed the remuneration paid is as per the Compensation and Benefits Policy.

* No Managerial Remuneration is paid to Independent Directors except Sitting Fee for attending Board/Committee Meetings.

No Managerial Remuneration or sitting fee is paid to the Non-Executive Directors

Disclosure under rule 5(2) of Companies (Appointment and Qualification of Managerial Personnel) Rules, 2014

(i) Name: **Mr. L V L N Murty**

(ii) Designation of the employee: **Managing Director & CEO**

(iii) Remuneration received: **INR 136.93 Lakhs**

(iv) Nature of employment, whether contractual or otherwise: **Permanent**

(v) Qualifications and experience of the employee: **MBA**

(vi) Date of commencement of employment: **02-Jun-2016**

(vii) The age of such employee: **55**

(viii) The last employment held by such employee before joining the company: **Sahaj e-Village**

(ix) The percentage of equity shares held by the employee in the company – **Nil**

(x) Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager – **Not Applicable**

In accordance with the provisions of Section 136 of the Companies Act, 2013, the statement containing the names and other particulars of the top ten employees in terms of remuneration drawn is available for inspection by the members at the Registered Office of the Company. A copy of the statement will be furnished to any member on request.

On behalf of the Board of Directors,
For **Dvara Kshetriya Gramin Financial Services Private Limited**

Sd/-	Sd/-
Samir Amrit Shah	LVLN Murty
Chairman	Managing Director & CEO
DIN: 00912693	DIN: 09618861

Place: Chennai
Date: 12.08.2026

Annexure C

FORM NO. AOC-2

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

1. Details of contracts or arrangements or transactions not at arm's length basis

All transactions entered into by the Company during the year with related parties were on an arm's length basis.

(a) Name(s) of the related party, and nature of relationship – NA

(b) Nature of contracts/arrangements/transactions - NA

(c) Duration of the contracts / arrangements/transactions - NA

(d) Salient terms of the contracts or arrangements or transactions, including the value, if any

(e) Justification for entering into such contracts or arrangements or transactions – NA

(f) Date (s) of approval by the Board - NA

(g) Amount paid as advances, if any - NA

(h) The date on which the special resolution was passed in a general meeting as required under first proviso to section 188 of the Companies Act, 2013 - NA

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

The transactions entered into by the Company during the year with related parties on an arm's length basis were not material in nature.

Sl. No.	Name(s) of the related party	Nature of contract	Duration of Contract & Salient terms of the contracts or arrangements or transactions	Date(s) of approval by the Board, if any	Amount paid as advances, if any:
NIL					

On behalf of the Board of Directors,
For **Dvara Kshetriya Gramin Financial Services Private Limited**

Sd/-
Samir Amrit Shah
Director
DIN: 00912693

Sd/-
LVLN Murty
Managing Director & CEO
DIN: 09618861

Place: Chennai
Date: 12.08.2026

Annexure D

FORM NO. AOC-1

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

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

Part "A": Subsidiaries

(INR In lakhs)

Name of the subsidiary	**Dvara KGFS Digital Services Private Limited**
The date since when subsidiary was acquired	December 10, 2025
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April 1, 2025, to March 31, 2026
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not applicable
Share capital	6776.60
Reserves and surplus	(6749.14)
Total assets	287.25
Total Liabilities	259.79
Investments	Nil
Turnover	100.53
Profit before taxation	43.81
Provision for taxation	Nil
Profit after taxation	43.81
Proposed Dividend	Nil
Extent of shareholding (in percentage)	54.80

1. Names of subsidiaries which are yet to commence operations - Nil
2. Names of subsidiaries which have been liquidated or sold during the year - Nil

Part "B": Associates and Joint Ventures – NIL

On behalf of the Board of Directors,
For **Dvara Kshetriya Gramin Financial Services Private Limited**

Sd/-

Samir Amrit Shah
Director
DIN: 00912693

Sd/-

LVLN Murty
Managing Director & CEO
DIN: 09618861

Place: Chenai
Date: 12.08.2026

Sd/-

Abhik Sarkar
Chied Financial Officer

Sd/-

Aravinthan B
Company Secretary

Annexure-E
Committees of the Board and their composition

Audit Committee

Name of Director	DIN	Member of Committee since	Capacity	Attendance Particulars		No. of shares held in the NBFC
				Entitled to Attend	Attended	
Mr. Raman Uberoi	03407353	2021	Chairman	6	6	Nil
Mr. Samir Amrit Shah	00912693	2019	Member	6	6	Nil
Mr. Hemant Ratnakar Adarkar	03127893	2024	Member	6	5	Nil
Ms. Gowri Thyagarajan	07029599	2022	Member	6	4	Nil
Ms. Lone Sondergaard#	10711271	2024	Member	2	2	Nil
Mr. Arvind Kodikal	07623915	2025	Member	4	3	Nil

#Ms. Lone Sondergaard has resigned w.e.f. January 30, 2026

Nomination and Remuneration Committee

Name of Director	DIN	Member of Committee since	Capacity	Attendance Particulars		No. of shares held in the NBFC
				Entitled to Attend	Attended	
Mr. Hemant Ratnakar Adarkar	03127893	2023	Chairman	7	6	Nil
Mr. Samir Amrit Shah	00912693	2018	Member	7	7	Nil
Mr. John Henry Fischer*	07908218	2022	Member	1	0	Nil
Ms. Anisha Motwani	06943493	2019	Member	7	7	Nil
Mr. Raman Uberoi	03407353	2022	Member	7	7	Nil
Mr. Pranav Kumar	07896173	2021	Member	7	1	Nil
Mr. Arvind Kodikal	07623915	2025	Member	6	5	Nil
Ms. Lone Sondergaard	10711271	2024	Member	1	1	Nil

* Mr. John Henry Fischer has resigned w.e.f. May 13, 2025

Annexure-E

Risk Management Committee

Name of Director	DIN	Member of Committee since	Capacity	Attendance Particulars		No. of shares held in the NBFC
				Entitled to Attend	Attended	
Ms. Gowri Thyagarajan	07029599	2022	Chairman	4	3	Nil
Mr. Samir Amrit Shah	00912693	2019	Member	4	4	Nil
Mr. John Henry Fischer	07908218	2022	Member	1	0	Nil
Mr. Pranav Kumar	07896173	2019	Member	4	2	Nil
Mr. Arvind Kodikal	07623915	2025	Member	3	3	Nil
Ms. Lone Sondergaard	10711271	2024	Member	3	3	Nil
Mr. Anders Hernaes Thorbjoernsen	11529836	2026	Member	0	0	Nil

Corporate Social Responsibility Committee

Name of Director	DIN	Member of Committee since	Capacity	Attendance Particulars		No. of shares held in the NBFC
				Entitled to Attend	Attended	
Ms. Shreya Deb*	07915580	2025	Chairperson	0	0	Nil
Ms. Anisha Motwani	06943493	2021	Member	2	2	Nil
Mr. Samir Amrit Shah	00912693	2019	Member	2	2	Nil
Mr. Raman Uberoi	03407353	2021	Member	2	2	Nil
Ms. Bindu Ananth	02456029	2019	Chairperson	2	2	Nil

* Appointed w.e.f. November 12, 2025, in place of Ms. Bindu Ananth.

The meeting dates has been disclosed in the Boards Report.

Annexure-E

Information Technology Strategy Committee*

Name of Director	DIN	Member of Committee since	Capacity	Attendance Particulars		No. of shares held in the NBFC
				Entitled to Attend	Attended	
Mr. Hemant Ratnakar Adarkar	03127893	2023	Chairman	5	5	Nil
Ms. Gowri Thyagarajan	07029599	2025	Member	4	2	Nil
Mr. Samir Amrit Shah	00912693	2019	Member	5	4	Nil
Mr. LVLN Murty	09618861	2019	Member	5	5	Nil
Ms. Vidya Sambasivam	-	2023	Member	5	5	Nil
Mr. Abhik Sarkar	-	2025	Member	4	4	Nil
Mr. Rahul Tripathy	-	2024	Member	5	5	Nil
Mr. Bikram Mishra	-	2025	Member	5	4	Nil
Ms. Malavika Bharghavi H	-	2025	Member	2	0	Nil
Mr. Neethi Cholan	-	2025	Member	3	2	Nil

*
The IT Strategy Committee was constituted by the Board of Directors as per the requirements of Master Direction - Information Technology Framework for the NBFC Sector issued by Reserve Bank of India. The terms of reference of the Committee are as specified in the RBI Master Direction referred above and changes as may be notified from time to time.

ANNEXURE F

Corporate Social Responsibility (CSR) Report

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. Brief outline on CSR Policy of the Company:

The Company aspires to further its social and environmental commitment by incorporating the vision of CSR laid out by the Companies Act, 2013. The CSR policy of Company intends to integrate the CSR guidelines in its business operations as well as outline a strategy to invest its CSR monies in socially and environmentally beneficial outcomes. The document spells out the Company's CSR mission of contributing towards social and economic development of the community, and the strategy to work towards its mission statement. The Company's CSR Policy has been uploaded on the website of the Company Click Here

2. Composition of CSR Committee:

<table>
<tr><th rowspan="2">Sl. No</th><th rowspan="2">Name of Director</th><th rowspan="2">Designation /Nature of Directorship</th><th rowspan="2">Number of meetings of CSR Committee held during the year</th><th colspan="2">Number of meetings of CSRCommittee attended during the year</th></tr>
<tr><th>Entitled</th><th>Attended</th></tr>
<tr><td>1.</td><td>Ms. Bindu Ananth*</td><td>Non-executive Director/ Chairperson</td><td>2</td><td>2</td><td>2</td></tr>
<tr><td>2.</td><td>Ms. Shreya Deb#</td><td>Chairperson</td><td>2</td><td>0</td><td>0</td></tr>
<tr><td>3.</td><td>Mr. Samir Shah</td><td>Non-executive Director</td><td>2</td><td>2</td><td>2</td></tr>
<tr><td>4.</td><td>Ms. Anisha Motwani</td><td>Independent Director</td><td>2</td><td>2</td><td>2</td></tr>
<tr><td>5.</td><td>Mr. Raman Uberoi</td><td>Independent Director</td><td>2</td><td>2</td><td>2</td></tr>
</table>

* Resigned w.e.f August 25, 2025

\# Appointed w.e.f November 12, 2025

3. The Company's CSR Policy has been uploaded on the website of the Company which contains the details of the Composition of CSR committee and CSR projects approved by the Board and the web link to CSR policy is Click Here

4. Impact Assessment of CSR Projects in pursuance of sub-rule (3) of rule 8, is not applicable to the Company.

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

6.

a. Average net profit of the company as per section 135(5) – **Not Applicable**
b. Two percent of average net profit of the Company as per section 135(5) – **Not Applicable**
c. Surplus arising out of the CSR projects or programmes or activities of the previous financial years - **Not Applicable**
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). – **Nil**

7. CSR amount spent or unspent for the financial year:

<table>
<tr><th rowspan="3">Total Amount Spent for the Financial Year (Amount in lakhs)</th><th colspan="5">Amount Unspent (in Lakhs)</th></tr>
<tr><th colspan="2">Total Amount transferred to Unspent CSR Account as per Section 135(6)</th><th colspan="3">Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)</th></tr>
<tr><th>Amount</th><th>Date of transfer</th><th>Name of the Fund</th><th>Amount</th><th>Date of transfer</th></tr>
<tr><td>23.66</td><td colspan="2">Not Applicable</td><td colspan="3">Not Applicable</td></tr>
</table>

a. Amount spent on Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project). – INR 23.66 Lakhs
b. Amount spent in Administrative Overheads - NIL
c. Amount spent on Impact Assessment, if applicable - Not applicable
d. Total amount spent for the Financial Year- (a+b+c) – INR 23.66 Lakhs

8. Excess amount for set off, if any:

Sl No	**Particulars**	**Amount (in Lakhs)**
i)	Two percent of average net profit of the Company as per section 135(5)	-
ii)	Total amount spent for the Financial Year	23.66
iii)	Excess amount spent for the financial year [(ii)-(i)]	23.66
iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	23.66

Note: The total amount available for set-off is INR 38.14 lakhs, includes an amount carry forward from previous financial year of INR 14.66 Lakhs

9.(a) Details of unspent CSR amount for the preceding three financial years:

Sl.No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6)(in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of theFund	Amount(in Rs).	Date of transfer	
1	2022-23	-	-	**NA**			-
2	2023-24	-	-	**NA**			-
3	2024-25	-	-	**NA**			-

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

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

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

b. Date of creation or acquisition of the capital asset(s) - NIL

c. Amount of CSR spent for creation or acquisition of capital asset - NIL

d. Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc - NIL

e. Provide details of the capital asset(s) created or acquired (Including complete address and location of the capital asset.)- NIL

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

Sd/-	Sd/-	Sd/-
Samir Amrit Shah	**LVLN Murty**	**Shreya Deb**
Director	**Managing Director& CEO**	**Chairperson of CSR Committee**
DIN: 00912693	**DIN: 09618861**	**DIN: 07915580**

Date: 12.08.2026
Place: Chennai

S. No	Name of Director	Director Since	Capacity	DIN	Number of Board Meetings		No. of other directorship	Remuneration (Rs. in lacs)			No. of shares held and in convertible instruments
					Entitled	Attended		Salary & Other comp	Sitting Fee (INR in Lakhs)	Commission	
1	Ms. Bindu Ananth	30-01-2019	Non-Executive Director/ Chairperson	02456029	5	5	6	NA	NIL	NA	NIL
2	Mr. Samir Amrit Shah	11-02-2018	Non-Executive Director/ Chairman	00912693	10	10	16	NA	NIL	NA	NIL
3	Mr. L V L N Murty	03-11-2021	Managing Director & CEO	09618861	10	10	2	136.93	NIL	NA	NIL
4	Ms. Anisha Motwani	13-11-2019	Independent Director	06943493	10	10	10	NA	15.00	NIL	NIL
5	Ms. Gowri Thyagarajan	01-08-2022	Independent Director	07029599	10	7	2	NA	13.00	NIL	NIL
6	Mr. Hemant Ratnakar Adarkar	24-05-2023	Independent Director	03127893	10	10	7	NA	20.00	NIL	NIL
7	Mr. Raman Uberoi	25-05-2021	Independent Director	03407353	10	10	5	NA	20.50	NIL	NIL
8	Mr. Anders Hernaes Thorbjornsen	11-02-2026	Nominee Director	11529836	2	2	3	NA	NIL	NA	NIL
9	Mr. Arvind Kodikal	14-05-2025	Nominee Director	07623915	9	7	4	NA	NIL	NA	NIL
10	Mr. John Henry Fischer	30-09-2022	Nominee Director	07908218	1	1	3	NA	NIL	NA	NIL
11	Ms. Lone Sondergaard	26-07-2024	Nominee Director	10711271	8	6	0	NA	NIL	NA	NIL
12	Mr. Pranav Kumar	30-01-2019	Nominee Director	07896173	10	7	17	NA	NIL	NA	NIL
13	Ms. Shreya Deb	12-11-2025	Additional Director	07915580	4	3	2	NA	NIL	NA	NIL

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2026
[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,
Dvara Kshetriya Gramin Financial Services Private Limited
CIN: U65991TN1993PTC024547
10th Floor, Phase-1, A1, IIT-Madras Research Park,
Kanagam Village, Taramani, Chennai - 600113

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Dvara Kshetriya Gramin Financial Services Private Limited** (CIN: U65991TN1993PTC024547) (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.

Based on our verification of Dvara Kshetriya Gramin Financial Services Private Limited 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 31st March, 2026 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 Dvara Kshetriya Gramin Financial Services Private Limited ("the Company") for the financial year ended on 31st March, 2026 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;
(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

    i. The Securities and Exchange Board of India (Substantial

Acquisition of Shares and Takeovers) Regulations, 2011;[1]

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

iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;[2]

iv. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;[3]

v. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

vi. 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;[4]

vii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;[5] and

viii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;[6]

(vi) Following other laws applicable specifically to the company:

i. The Reserve Bank of India (RBI) Act, 1934;
ii. Master Direction – Reserve Bank of India (Filing of Supervisory Returns) Directions, 2024
iii. Reserve Bank of India (Non-Banking Financial Companies – Miscellaneous) Directions, 2025
iv. Reserve Bank of India (Non-Banking Financial Companies – Managing Risks in Outsourcing) Directions, 2025
v. Reserve Bank of India (Non-Banking Financial Companies – Responsible Business Conduct) Directions, 2025
vi. Reserve Bank of India (Non-Banking Financial Companies – Know Your Customer) Directions, 2025
vii. Reserve Bank of India (Non-Banking Financial Companies – Prudential Norms on Declaration of Dividends) Directions, 2025
viii. Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025
ix. Reserve Bank of India (Non-Banking Financial Companies – Treatment of Willful Defaulters and Large Defaulters) Directions, 2025
x. Reserve Bank of India (Non-Banking Financial Companies – Resolution of Stressed Assets) Directions, 2025

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[1] Not applicable to the Company, as the equity shares of the Company are not listed on any stock exchange.
[2] Not applicable to the Company, as the equity shares of the Company are not listed on any stock exchange.
[3] Not applicable to the Company, as the Company does not have any Employee stock option scheme.
[4] Not applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent.
[5] Not applicable to the Company, as the equity shares of the Company are not listed on any stock exchange.
[6] Not applicable to the Company, as there was no buy-back by the Company during the year.

xi. Reserve Bank of India (Non-Banking Financial Companies – Income Recognition, Asset Classification and Provisioning) Directions, 2025
xii. Reserve Bank of India (Non-Banking Financial Companies – Asset Liability Management) Directions, 2025
xiii. Reserve Bank of India (Non-Banking Financial Companies – Classification, Valuation and Operation of Investment Portfolio) Directions, 2025
xiv. Reserve Bank of India (Non-Banking Financial Companies – Securitisation Transactions) Directions, 2025
xv. Reserve Bank of India (Non-Banking Financial Companies – Transfer and Distribution of Credit Risk) Directions, 2025
xvi. Reserve Bank of India (Non-Banking Financial Companies – Concentration Risk Management) Directions, 2025
xvii. Reserve Bank of India (Non-Banking Financial Companies – Credit Risk Management) Directions, 2025
xviii. Reserve Bank of India (Non-Banking Financial Companies – Credit Information Reporting) Directions, 2025
xix. Reserve Bank of India (Non-Banking Financial Companies – Credit Facilities) Directions, 2025
xx. Reserve Bank of India (Non-Banking Financial Companies – Prudential Norms on Capital Adequacy) Directions, 2025
xxi. Reserve Bank of India (Non-Banking Financial Companies – Governance) Directions, 2025
xxii. Reserve Bank of India (Non-Banking Financial Companies – Undertaking of Financial Services) Directions, 2025 (Updated as on December 05, 2025)
xxiii. Reserve Bank of India (Non-Banking Financial Companies – Branch Authorisation) Directions, 2025
xxiv. Reserve Bank of India (Non-Banking Financial Companies – Acquisition of Shareholding or Control) Directions, 2025
xxv. Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025
xxvi. The Insurance Act, 1938
xxvii. The Insurance (Amendment) Act, 2021
xxviii. Insurance Regulatory and Development Authority Act, 1999
xxix. Insurance Regulatory and Development Authority of India (Registration of Corporate Agents) Regulations, 2015
xxx. Insurance Regulatory and Development Authority of India (Insurance Advertisements and Disclosure) Regulations, 2021
xxxi. Insurance Regulatory and Development Authority of India (Payment of Commission or Remuneration or Reward to Insurance Agents and Insurance Intermediaries) Regulations, 2016
xxxii. Insurance Regulatory and Development Authority of India (Maintenance of Insurance Records) Regulations, 2015

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

(i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

(ii) The Uniform Listing Agreements entered into by the Company with BSE Limited pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations/qualifications observed by us:

- ***It is observed that disclosure of interest in Form MBP-1 of the Directors were placed at the 2nd Board meeting of the financial year 2025-26 held on 14th May 2025, instead of the 1st Board meeting held on 18th April 2025 required under section 184(1) of the Companies Act, 2013.***

- ***It is observed that the intimation regarding the Annual General Meeting held on 8th September 2025 was not submitted to the stock exchange by the Company in accordance with Regulation 50(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. It was further observed that the stock exchange has levied penalty which has also been paid by the Company.***

- ***It is observed that the Annual report for the financial year 2024-25 did not contain names of the debenture trustees with full contact details in accordance with Regulation 53(1)(e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.***

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 for the year under review. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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 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.

Majority decision is carried out through while the dissenting members' views, wherever there is any, are captures and recorded as part of the minutes.

We further report that there are adequate 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.

We further report that during the audit period there were no events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc., except the following:

1. Issue and allotment of following Debentures during the period under review on a Private Placement basis:

    - Allotment of 4,250 subordinated, unsecured, rated, listed, redeemable, transferable, Non-convertible debentures denominated in Indian Rupees, having face value of Rs. 1,00,000/- each aggregating to Rs. 42,50,00,000/- on 9th May 2025 by way of circular resolution.

    - Issue of rated, listed, secured, redeemable, Non-Convertible Debentures aggregating to Rs. 100,00,00,000/- on 14th May, 2025.

    - Allotment of 6,89,304 fully paid-up series 2 Compulsorily Convertible Preference shares at an issue price of Rs. 410/- each having face value of Rs. 100/- and premium of Rs. 310/- aggregating to Rs. 28,26,14,640/- on 22nd May 2025 by way of circular resolution.

    - Issue and allotment of 25,000 listed, rated, senior, secured, transferable, redeemable, non-convertible debentures denominated in Indian Rupees, having a face value of Rs. 10,000/- each aggregating to Rs. 10,00,00,000/- on 8th July 2025.

    - Issue and allotment upto 6,896 unsubordinated, listed, rated, secured, transferable, redeemable, non-convertible debentures having face value of Rs. 1,00,000/- each on 14th August 2025.

    - Allotment of 6,896 unsubordinated, listed, rated, secured, transferable, redeemable, Non-convertible debentures having face value of Rs. 1,00,000/- each aggregating to Rs. 68,96,00,000/- on 26th August 2025 by way of circular resolution.

    - Issue of Non-convertible debentures up to Rs. 200,00,00,000/- on 19th December 2025.

    - Issue and allotment of 30,000 listed, rated, senior, secured, transferable, redeemable, non-convertible debentures denominated in Indian Rupees having face value of Rs. 10,000/- each aggregating to Rs. 30,00,00,000/-

including a green shoe option of up to 10,000 listed, rated, senior, secured, transferable, redeemable, non-convertible debentures denominated in Indian Rupees, having face value of Rs. 10,000/- each aggregating to Rs. 10,00,00,000/- on 26th December 2025.

- Issue and allotment of 50,000 listed, rated, senior, secured, transferable, redeemable, non-convertible debentures denominated in Indian Rupees having a face value of Rs. 10,000/- each including a green shoe option of up to 25,000 listed, rated, senior, secured, transferable, redeemable, non-convertible debentures denominated in Indian Rupees, having a face value of INR 10,000/- each, aggregating to Rs.25,00,00,000/- on 23rd January 2026.

- Issue of Non-convertible debentures up to Rs. 300,00,00,000/- on 11th February 2026.

2. Grant of 60,225 options to 46 identified eligible employees under and from the Dvara KGFS Employee Stock Option Plan, 2024 at the Extraordinary general meeting held on 19th June 2025.

3. Grant of up to 5,000 Employee Stock option to Mr. Ramaswamy Subramanian, Deputy Chief Executive Officer of the Company subject to determination of the exercise price based on the valuation report, on 11th February 2026.

4. Ms. Rajalakshmi was appointed as the Company Secretary of the Company and Compliance Officer under Securities and Exchange Board of India (Listing Obligations and disclosure requirements) Regulations, 2015 with effect from 1st April 2025 subsequent to the resignation of Ms. Deepika Bhat as the Company Secretary of the Company and Compliance Officer with effect from 31st March 2025.

5. Mr. Shilpa Bhatter resigned from the position of Chief Financial Officer of the Company with effect from 23rd June 2025. Subsequently, Mr. Abhik Sarkar was appointed as the Chief Financial Officer of the Company with effect from 24th June 2025.

6. Ms. Bindu Ananth (DIN: 02456029) resigned from the position of Chairperson and Director of the Company with effect from 25th August 2025. Subsequently, Mr. Samir Amrit Shah (DIN: 00912693) was appointed as a Chairman and Director of the Company with effect from 26th August 2025.

7. Ms. Rajalakshmi resigned from the position of Company Secretary and Compliance Officer of the Company with effect from 21st October 2025. Subsequently, Mr. Aravinthan Babu was appointed as Company Secretary and Compliance Officer of the Company with effect from 19th December 2025.

8. Alteration of Articles of Association at the extra ordinary general meeting held on 19.06.2025.

This Report is to be read along with Annexure A of even date which forms integral part of this Report.

For KSM Associates | Company Secretaries
(Peer review cert no. 5868/2024)

Place: Chennai
Date: 13th May 2026

KRISHNA SHARAN MISHRA
Partner
FCS 6447 | CP 7039
UDIN: F006447H000344741

ANNEXURE – A

To,
The Members,
Dvara Kshetriya Gramin Financial Services Private Limited
CIN: U65991TN1993PTC024547
10th Floor, Phase-1, A1, IIT-Madras Research Park,
Taramani, Chennai - 600113

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

a. Maintenance of secretarial and other records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
b. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
c. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
d. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
e. The 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 basis.
f. 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 KSM Associates | Company Secretaries
(Peer review cert no. 5868/2024)

Place: Chennai
Date: 13th May 2026

KRISHNA SHARAN MISHRA
Partner
FCS 6447 | CP 7039
UDIN: F006447H000344741

INDEPENDENT AUDITOR'S REPORT

To the members of Dvara Kshetriya Gramin Financial Services Private Limited

Report on the audit of the standalone financial statements

Opinion

We have audited the accompanying standalone financial statements of Dvara Kshetriya Gramin Financial Services Private Limited (the 'Company'), which comprise the standalone balance sheet as at 31 March 2026, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of cash flows, and the standalone statement of changes in equity for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS' or 'the Rules'), and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2026, and its loss, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ('SAs or 'Standards') specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's responsibilities for the audit of the standalone financial statements' section of our report.

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

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

Key audit matters	How the matter was addressed in our audit
Impairment of loans to customers – expected credit loss and write-off Under Ind AS 109, Financial Instruments, allowance for loan losses is determined using expected credit loss ("ECL") estimation model. As at 31 March 2026, the Company has total gross loan assets of Rs. 1,80,094 lakhs against which an impairment loss of Rs. 5,063 lakhs has been recorded. The determination of impairment losses on loans is complex and is based on the application of significant management judgements, estimates and the use of different modelling techniques and assumptions, which have a material impact on reported profits. The Company has applied a three-stage approach based on changes in credit quality to measure expected credit loss on loans. The key areas where we identified greater levels of management judgement are: 1. Segmentation of loans, staging of loans and determining the criteria for a significant increase in credit risk. 2. Model estimations – determining Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposures at Default ("EAD") 3. Determining macro-economic factors impacting credit quality of receivables The Company has recognized technical write-offs amounting to Rs. 2,475 lakhs for the year ended 31 March 2026 against which the Company carried a provision for ECL of Rs. 1,486 lakhs. ECL (including write-off) involves an estimation of probability weighted loss on financial instruments over their life, considering reasonable and supportable information about past events, current conditions, and forecast of future economic conditions which could impact the credit quality of the Company's loans. In view of such a high degree of Management's judgement involved in estimation of impairment of loan assets, it is a key audit matter.	**Our key audit procedures included:** 1. Review of the Company's accounting policies for impairment of loan assets in terms of accounting principles laid down in Ind AS 109 and the governance framework/policies approved by the Board of Directors pursuant to Reserve Bank of India guidelines issued from time to time. 2. Understanding the process of ECL estimation and related assumptions and tested the controls around data extraction and validation to evaluate the reasonableness of the estimates. 3. Assessed and tested the design and operating effectiveness of key manual and automated controls over completeness and accuracy of the key inputs and assumptions considered for calculation, recording and monitoring of the impairment loss recognized. Evaluated the controls over the modelling process, validation of data and related approvals. 4. Involved auditor's experts for testing of the ECL model and computation, including factors that affect the PD, LGD and EAD considering various forward looking and macro-economic factors. For annual review changes in ECL model, evaluated the basis of such change including the reasonableness and appropriateness of the same. 5. Assessed the criteria for staging loans based on their past-due status. Test-checked the computation of ECL, including assumptions and underlying arithmetical calculations. 6. Verified the arithmetical accuracy of the amounts of write-off of loans based on the ageing criteria approved by the Board of Directors. 7. Reviewed the appropriateness of disclosures made in the standalone financial statements as per the requirements of Ind AS.

Key audit matters	How the matter was addressed in our audit
Financial assets measured at fair value through other comprehensive income (FVTOCI) As at 31 March 2026, the Company has loans that are carried and measured at fair value through other comprehensive income (FVOCI) in accordance with Ind AS 109. The fair value of the loan assets measured at FVTOCI as at 31 March 2026 is Rs. 30,697 lakhs (31 March 2025: Rs. 50,654 lakhs) The classification of loans at FVTOCI is dependent on the business model assessment of the Company whereby the management has determined that the aforesaid loans are designated to collect contractual cash flows and also to sell such financial assets. The fair value arrived by the management's valuation expert is derived using discounted cashflow models wherein the key assumptions include expected future cashflows, expected loss/default, expected costs and fees and discount rate. Given the business model assessment, the estimates involved in selecting the valuation basis, relative significance of these loans to the standalone financial statements and the nature and extent of procedures involved, we determined this to be a key audit matter.	**Our key audit procedures included:** 1. Reviewed that the 'Business Model Assessment Policy is approved by the Board of Directors of the Company 2. Evaluated the criteria adopted by the management in the identification of the loan portfolio and reviewed the inputs used by the management in fair valuation. 3. Assessed the design and tested the operating effectiveness of internal controls over classification of loans on the basis of management's intent and management's key internal controls over inputs used in the valuation model. 4. Assessed the reasonableness of the valuation methodology and underlying assumptions used by the management to estimate the fair value. Verified the arithmetical accuracy of the workings. 5. Reviewed the appropriateness of disclosures made in the standalone financial statements as per the requirements of Ind AS.

Information other than the standalone financial statements and auditor's report thereon

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

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

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

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations.

Responsibilities of management and those charged with governance for the standalone financial statements

The Company's Board of Directors and the management are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with Indian Accounting Standards ('Ind AS') and the other accounting principles generally accepted in India including the Indian Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation, and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors 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 of the Company are also responsible for overseeing the company's financial reporting process.

Auditor's responsibilities for the audit of the standalone financial statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone 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 auditors' report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and,

- evaluate the overall presentation, structure, and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on other legal and regulatory requirements

1) As required by the Companies (Auditors' Report) Order, 2020 (the 'Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in Annexure 'A' to this Report, a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.

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

    (a) we have sought and have 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 (as amended).

    (c) the standalone balance sheet, the standalone statement of profit and loss, the standalone statement of cash flows and the standalone statement of changes in equity dealt with by this Report are in agreement with the books of account.

(d) in our opinion, the aforesaid standalone financial statements comply with the Ind AS notified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

(e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2026 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 are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) of the Act and 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 standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure 'B'.

(h) with respect to the other matters to be included in the auditor's report in accordance with the requirements of section 197(16) of the Act (as amended), the provisions of section 197 read with Schedule V of the Act are not applicable to the Company; and,

(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 as at 31 March 2026 on its financial position in its standalone financial statements – Refer Note 38 to the standalone financial statements;

ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. there 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 its knowledge and belief (which are material either aggregate or individually), as disclosed in Note 82(f) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) the management has represented, that, to the best of its knowledge and belief, (which are material either aggregate or individually), as disclosed in Note 82(g) to the standalone financial statements, no funds have been received by the company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on our audit procedures 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 provided by the management under sub-clause (a) and (b) above contain any material misstatement.

v. The Company has not declared or paid dividend during the year.

vi. Based on our examination which included test checks except for instances mentioned below, the Company, in respect of financial year commencing on 1 April 2025, has used accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the software other than the consequential impact of exceptions given below:

(a) The audit trail functionality for the Loan Origination System (LOS) and payment processing application was not enabled during the year;

(b) The audit trail feature for the Loan Management System (LMS) was enabled from 16 December 2025.

Further during our audit, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention.

for **SHARP & TANNAN**
Chartered Accountants
Firm's Registration No. 003792S

P Rajesh Kumar
Partner
Membership No. 225366
UDIN: 26225366GGTUXS9821

Place: Chennai
Date: 13 May 2026

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Dvara Kshetriya Gramin Financial Services Private Limited of even date)

(i) (a) A. According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and the situation of its property, plant, and equipment and relevant details of right-of-use assets.

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

(b) According to the information and explanations given to us, the Management of the Company has physically verified the property, plant and equipment during the year and no material discrepancies were noticed on such verification.

(c) The Company does not have any immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). In respect of immovable properties taken on lease by the Company and disclosed as leasehold improvements under property, plant & equipment and right of use assets in the standalone financial statements, the lease agreements are duly executed in favour of the Company.

(d) The Company has not revalued any of its property, plant, and equipment (including right of use assets) or intangible assets during the year. Hence, reporting under paragraph 3 (i)(d) of the Order does not arise.

(e) According to the information and explanations given to us, no proceeding has been initiated or is pending against the Company for holding any benami property, if any, under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988), as amended and Rules made thereunder. Hence, reporting under paragraph 3 (i)(e) of the Order does not arise.

(ii) (a) The Company is a non-banking finance company and does not carry any inventory in the books of account. Hence reporting under paragraph 3(ii)(a) of the Order does not arise.

(b) According to the information and explanations given to us, and the records examined by us, the Company has been sanctioned working capital limits in excess of five crores, in aggregate, from banks during the year on the basis of security of current assets, and as disclosed in foot note (b) of Note 15 to the standalone financial statements, the quarterly returns or statements filed by the Company with such banks are in agreement with the unaudited books of account of the Company. Further, the Company has not been sanctioned working capital limits from financial institutions during the year based on security of current assets.

(iii) According to the information and explanations given to us, the Company has made an investment in a company during the year. The Company has not stood any guarantee or provided any security or granted any loans or advances in the nature of loans, secured or unsecured, to Companies, firms and Limited Liability Partnerships during the year.

According to the information and the explanation given to us, and the records of the Company examined by us, the company has granted loans to its customers during the year, in respect of which:

(a) Reporting under paragraph 3(iii)(a) of the Order does not arise as it is not applicable to non-banking finance companies.

(b) According to the information and explanations given to us and based on the audit procedures performed by us, in our opinion, the terms and conditions of all loans granted by the company and investment made by the company during the year are, *prima facie*, not prejudicial to the company's interest.

(c) According to the information and explanations given to us, in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated. The repayments of principal and payments of interest are regular except for those disclosed in Note 74 to the standalone financial statements. Considering that the Company is engaged in the business of lending and the volume of transactions involved, it is not practicable to furnish party-wise details where repayments of principal and payments of interest are not regular.

(d) The total amount overdue for more than ninety days as at the balance sheet date is disclosed as Stage 3 in Note 74 to the standalone financial statements. Based on our audit procedures and the information and explanations given to us, reasonable steps have been taken by the company for recovery of the principal and interest.

(e) Reporting under paragraph 3(iii)(e) of the Order does not arise as it is not applicable to non-banking finance companies.

(f) The company has not granted any loans or advances in the nature of loans during the year, either repayable on demand or without specifying any terms or period of repayment to promoters, related parties as defined in clause (76) of section 2 of the Act. Hence reporting under paragraph 3(iii)(f) of the Order does not arise.

(iv) According to the information and explanations given to us, the Company has not advanced any loans, given any guarantee, or provided any security to the parties covered under Section 185 of the Act. In respect of the investment made by the Company, applicable provisions of section 186 of the Companies Act have been complied with. Section 186 shall not apply to any loan made by a non-banking finance company in the ordinary course of its business. Accordingly, further reporting under paragraph 3(iv) of the Order does not arise.

(v) The provisions of sections 73 to 76 of the Companies Act and the Companies (Acceptance of Deposits) Rules, 2014 made thereunder are not applicable to non-banking finance companies. Further, according to the information and explanations given to us, no Order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in this regard. Hence, reporting under paragraph 3 (v) of the Order does not arise.

(vi) The Central Government has not specified maintenance of cost records under section 148(1) of the Act read together with Companies (Cost Records and Audit) Rules, 2014 (as amended) for the operations of the Company. Hence, reporting under paragraph 3 (vi) of the Order does not arise.

(vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income tax, professional tax, cess and other material statutory dues applicable to the Company, if any, with the appropriate authorities except labour welfare fund.

According to the information and explanations given to us and the records of the Company examined by us, there were no undisputed amounts payable in respect of goods and services tax, provident fund, employees' state insurance, income tax, professional tax, cess and other material statutory dues, if any, outstanding as at 31 March 2026 for a period of more than six months from the date they became payable, except for the labour welfare fund listed below. Sales tax, service tax, duty of customs, duty of excise and value added tax are not applicable to the Company.

<table>
<tr><th>Name of the statute</th><th>Nature of dues</th><th>Amount (Rs. in lakhs)</th><th>Period which amount relates to</th><th>Due Date</th><th>Date of payment</th></tr>
<tr><td>Haryana -Labour Welfare Fund</td><td>Labour Welfare Fund</td><td>0.86</td><td>FY 2025-26</td><td>Various</td><td rowspan="2">Not yet paid</td></tr>
<tr><td>Punjab - Labour Welfare Fund</td><td>Labour Welfare Fund</td><td>0.17</td><td>FY 2025-26</td><td>Various</td></tr>
</table>

(b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of service tax as at 31 March 2026 which have not been deposited with statutory authorities on account of a dispute pending are as follows:

Name of the statute	**Period to which the amount relates**	**Forum where disputes are pending**	**Amount involved (Rs. in lakhs)**	**Amount disputed and not paid (Rs. in lakhs)**
Finance Act 1994 – Service Tax	April 2010 to April 2015	Customs, Excise & Service Tax Appellate Tribunal	66.29	63.61

According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues in respect of goods and services tax, provident fund, employees' state insurance, income-tax, professional tax, labour welfare fund, sales-tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, if any, as at 31 March 2026 which have not been deposited on account of any dispute.

(viii) According to the information and explanations given to us, and on the basis of our audit procedures, the Company has not surrendered or disclosed any transaction not recorded in the books of account, if any, as income in the tax assessments under Income Tax Act, 1961 (43 of 1961) during the year. Hence, reporting under paragraph 3 (viii) of the Order does not arise.

(ix) (a) According to the information and explanations given to us, and on the basis of our audit procedures, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lenders during the year. Hence, reporting under paragraph 3 (ix)(a) of the Order does not arise.

(b) According to the information and explanations given to us, and on the basis of our audit procedures, the Company has not been declared willful defaulter by any bank or financial institution or any other lender.

(c) In our opinion and according to the information and explanations given to us, on an overall basis, the Company has applied the term loans for the purposes for which they were obtained other than funds temporarily placed in bank fixed deposits, pending utilization of funds as per respective sanction terms.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the company, the funds raised on a short-term basis have not been used for long-term purposes by the company.

(e) According to the information and explanations given to us and the records of the Company examined by us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its associate/subsidiary. The Company does not have any joint venture. Hence, reporting under paragraph 3 (ix)(e) of the Order does not arise.

(f) According to the information and explanations given to us and the records of the Company examined by us, the company has not raised loans during the year on the pledge of securities held in its associate/subsidiary company. The Company does not have any joint venture. Hence, reporting under paragraph 3 (ix)(f) of the Order does not arise.

(x) (a) The Company has not raised any money by way of an initial public offer or further public offer (including debt instruments) during the year. Hence, reporting under paragraph 3(x)(a) of the Order does not arise.

(b) During the year, the Company has made a private placement of Compulsorily Convertible Preference Shares (CCPS). In our opinion and according to the information and explanations given to us and based on the records examined by us, the Company has complied with the requirements of Sections 42 and 62 of the Companies Act, 2013 in respect of such allotment. The Company has not made any preferential allotment of shares or convertible debentures (fully, partially or optionally convertible) during the year.

According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the company, the funds raised through the said issue have been utilized for the purposes for which they were raised.

(xi) (a) To the best of our knowledge and during the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the year, except for the instances identified by the management, as stated under Note 50 to the standalone financial statements.

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

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

(xii) The Company is not a Nidhi Company. Hence, reporting under paragraph 3(xii) of the Order does not arise.

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

(xiv) (a) In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business.

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

(xv) According to the information and explanations given to us, and the records of the Company examined by us, in our opinion, the company has not entered into any non-cash transactions with its directors or persons connected with its directors during the year, and hence provisions of section 192 of the Act are not applicable to the company. Hence, reporting under paragraph 3(xv) of the Order does not arise.

(xvi) (a) The company is a non-banking finance company and is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) and such registration has been obtained by the Company.

(b) According to the information and explanations given to us, the Company has not conducted any non-banking finance activities during the year without a valid Certificate of Registration (COR) from the Reserve Bank of India.

(c) According to the information and explanations given to us, and the records of the Company examined by us, in our opinion, the Company is not a Core Investment Company as defined in the Regulations made by the Reserve Bank of India. Hence, reporting under paragraph 3(xvi)(c) of the Order does not arise.

(d) As represented to us by the management, there are no Core Investment Companies as defined in the regulations made by the RBI in the Group.

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

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under paragraph 3(xviii) of the Order does not arise.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of the 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 as the information provided being futuristic in nature has been verified only to the extent of information and explanations given to us. We further state that our reporting is based on the facts up to the date of the audit report and we neither provide any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) (a) According to the information and explanations given to us, and based on our audit procedures, in respect to other than ongoing projects, the Company is not required to transfer any amount to a Fund specified in Schedule VII of the Act. Hence, reporting under paragraph 3(xx)(a) of the Order does not arise.

(b) According to the information and explanations given to us, and based on our audit procedures, in respect of ongoing projects, the Company is not required to transfer any amount to a special account in compliance with the provision of sub-section (6) of section 135 of the Act. Hence, reporting under paragraph 3(xx)(b) of the Order does not arise.

(xxi) The reporting under paragraph 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company.

for **SHARP & TANNAN**
Chartered Accountants
Firm's Registration No. 003792S

P Rajesh Kumar
Partner
Membership No. 225366
UDIN: 26225366GGTUXS9821

Place: Chennai
Date: 13 May 2026

ANNEXURE ‘B’ TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Dvara Kshetriya Gramin Financial Services Private Limited of even date)

Report on the internal financial controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

We have audited the internal financial controls with reference to standalone financial statements of Dvara Kshetriya Gramin Financial Services Private Limited (“the Company”) as of 31 March 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s responsibility for internal financial controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements 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 (“the Guidance Note”) issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation, and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. 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 standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of internal financial controls with reference to standalone financial statements

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

Inherent Limitations of internal financial controls with reference to standalone financial statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31 March 2026, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

for **SHARP & TANNAN**
Chartered Accountants
Firm's Registration No. 003792S

P Rajesh Kumar
Partner
Membership No. 225366
UDIN: 26225366GGTUXS9821

Place: Chennai
Date: 13 May 2026

Dvara Kshetriya Gramin Financial Services Private Limited
Standalone Balance Sheet as at March 31, 2026
(All amounts are in Indian Rupees in Lakhs, except share data and as stated)

Particulars	Note	As at March 31, 2026	As at March 31, 2025
ASSETS			
Financial assets			
Cash and cash equivalents	4	15,120.83	27,169.67
Bank balance other than cash and cash equivalents	5	9,513.70	9,235.52
Derivative financial instruments	12	7,856.71	674.75
Receivables	6	174.59	278.22
Loans	7	175,031.62	177,741.81
Investments	8	11,382.54	1,963.02
Other financial assets	9	1,542.05	1,695.06
		220,622.04	**218,758.05**
Non-financial assets			
Current tax assets (net)	32	872.99	805.40
Deferred tax assets (net)	32	2,070.23	1,598.65
Property, plant and equipment	10	605.13	731.85
Intangible asset under development	10C	162.48	83.19
Goodwill	10A	227.88	227.88
Other intangible assets	10A	1,048.72	1,527.44
Right of use assets	10B	698.87	1,127.36
Other non-financial assets	11	1,648.91	1,153.19
		7,335.21	**7,254.96**
Total Assets		**227,957.25**	**226,013.01**
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Payables			
Trade payables	13		
(i) dues of micro enterprises and small enterprises		-	5.55
(ii) dues other than micro enterprises and small enterprises		481.25	417.43
Debt securities	14	58,550.10	58,469.24
Borrowings (other than debt securities)	15	104,565.44	102,755.21
Subordinated liabilities	15a	19,466.80	13,716.78
Other financial liabilities	16	4,973.22	7,303.60
		188,036.81	**182,667.81**
Non-financial liabilities			
Provisions	17	816.38	421.50
Other non-financial liabilities	18	327.75	508.74
		1,144.13	**930.24**
EQUITY			
Equity share capital	19	11,666.48	11,666.48
Other equity	20	27,109.83	30,748.48
		38,776.31	**42,414.96**
Total Liabilities and Equity		**227,957.25**	**226,013.01**
Material accounting policies	2 & 3		

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

As per our report of even date
for **Sharp & Tannan**
Chartered Accountants
Firm's registration number: 003792S

For and on behalf of the Board of Directors of
Dvara Kshetriya Gramin Financial Services Private Limited
CIN : U65991TN1993PTC024547

P Rajesh Kumar
Partner
Membership No. 225366

Samir Amrit Shah
Director & Chairman
DIN: 00912693
Place : Chennai

LVLN Murty
MD & CEO
DIN : 09618861
Place : Chennai

Place : Chennai
Date : May 13, 2026

Abhik Sarkar
Chief Financial Officer
Place : Chennai
Date : May 13, 2026

Aravinthan B
Company Secretary
Membership No. A76929
Place : Chennai

Dvara Kshetriya Gramin Financial Services Private Limited
Standalone Statement of Profit and Loss for the the year ended March 31, 2026
(All amounts are in Indian Rupees in Lakhs, except share data and as stated)

Particulars	Note	For the year ended March 31, 2026	For the year ended March 31, 2025
Income			
Revenue from operations			
Interest income	21	46,954.12	50,277.32
Fees and commission income	22	1,071.11	1,847.17
Net gain/(loss) on fair value changes	23	280.96	449.33
Net gain on derecognition of financial instruments	24	1,851.78	5,297.14
Total revenue from operations		**50,157.97**	**57,870.96**
Other income	25	201.70	80.14
Total income (A)		**50,359.67**	**57,951.10**
Expenses			
Finance costs	26	23,369.30	26,204.40
Fees and commission expense	27	399.32	558.72
Impairment on financial instruments	28	10,326.82	15,347.29
Employee benefits expenses	29	14,595.17	11,575.17
Depreciation and amortization expenses	30	1,038.78	1,194.89
Other expenses	31	4,679.62	3,230.21
Total expenses (B)		**54,409.01**	**58,110.68**
Profit before tax ((C) = (A) - (B))		**(4,049.34)**	**(159.58)**
Tax expense:	32		
Current tax		98.18	1,042.80
Deferred tax		(463.55)	(1,199.31)
Tax credit for earlier year		-	(121.38)
Total tax expense (D)		**(365.37)**	**(277.89)**
Profit after tax for the year ((E) = (C) - (D)		**(3,683.97)**	**118.31**
Other comprehensive income / (loss)			
A (i) Items that will not be reclassified to profit or loss			
- Remeasurement gain / (loss) on defined benefit plans		66.42	143.97
(ii) Income tax impact thereon		(16.72)	(41.92)
B (i) Items that will be reclassified to profit or loss			
- Net gain/ (loss) on effective portion of cash flow hedges (net)		1,303.86	160.19
- Net gain/ (loss) on financial instruments through OCI (net)		(1,402.19)	4,649.00
(ii) Income tax impact thereon		24.75	(1,400.44)
Total other comprehensive income/(loss) for the year (F)		**(23.87)**	**3,510.80**
Total comprehensive income for the year		**(3,707.84)**	**3,629.11**
Earnings per equity share (face value Rs.100 each)			
- Basic (in Rs.)	33	(31.58)	1.01
- Diluted (in Rs.)	33	(31.58)	1.01

The notes referred to above form an integral part of these standalone financial statements
As per our report of even date

for **Sharp & Tannan**
Chartered Accountants
Firm's registration number: 003792S

For and on behalf of the Board of Directors of
Dvara Kshetriya Gramin Financial Services Private Limited
CIN : U65991TN1993PTC024547

P Rajesh Kumar
Partner
Membership No. 225366

Place : Chennai
Date : May 13, 2026

Samir Amrit Shah
Director & Chairman
DIN: 00912693
Place : Chennai

LVLN Murty
MD & CEO
DIN : 09618861
Place : Chennai

Abhik Sarkar
Chief Financial Officer
Place : Chennai
Date : May 13, 2026

Aravinthan B
Company Secretary
Membership No. A76929
Place : Chennai

Dvara Kshetriya Gramin Financial Services Private Limited

Standalone Statement of cash flows for the year ended March 31, 2026

(All amounts are in Indian Rupees in Lakhs, except share data and as stated)

Particulars	As at March 31, 2026	As at March 31, 2025
A. Cash flow from operating activities		
Loss before tax	(4,049.34)	(159.58)
Adjustments to reconcile profit/(loss) before tax to net cash flows:		
Depreciation and amortization	1,038.78	1,283.10
Impairment on financial instruments (net)	10,378.51	16,083.71
Finance costs	23,369.30	26,204.40
Provision for employee stock option plan	69.19	25.43
Interest on deposits with banks	(685.90)	(939.55)
Interest income on loans	(46,171.41)	(50,085.52)
Net gain on derecognition of financial instruments	(1,851.78)	(5,297.14)
Interest on Investments	(79.66)	(862.54)
Net gain / (loss) on derecognition of other assets/ liabilities	(96.84)	2.44
Gain on sale of investments	(338.24)	(449.33)
Operating profit before working capital changes	**(18,417.40)**	**(14,194.58)**
Changes in working capital and other changes:		
Decrease/(Increase) in trade receivables	103.63	70.65
Decrease/(Increase) in other bank balances	(590.83)	3,376.25
Decrease/(Increase) in loans	(8,925.22)	(2,735.16)
Decrease/ (Increase) in other financial assets	153.01	(675.16)
Decrease/ (Increase) in other non financial assets	(495.72)	(56.89)
Increase/(Decrease) in trade payables, other liabilities and provisions and derivative financial instruments	(8,646.16)	(540.18)
Cash flow from operating activities post working capital changes	**(36,818.69)**	**(14,755.07)**
Interest income on loans	49,594.56	48,683.02
Finance cost paid	(23,395.05)	(26,888.93)
Cash flow used in operating activities	**(10,619.17)**	**7,039.02**
Income tax paid (net)	(67.59)	(399.16)
Net cash flow used in operating activities	**(10,686.76)**	**6,639.86**
B. Cash flow from investing activities		
Proceeds from sale of property, plant and equipment	6.40	3.01
Purchase of property, plant and equipment	(441.20)	(592.38)
Increase of intangible asset under development	(79.29)	(24.14)
Purchase of other intangible assets	(35.96)	(180.01)
Purchase of investments	(90,827.47)	(1,875.93)
Proceeds from sale of Investments	93,047.07	442.24
Investment in Security Receipts	(11,496.07)	-
Redemption of Security Receipts	210.87	-
Interest received on Investments	94.18	848.03
Interest received on deposits with banks	998.55	1,002.28
Net cash flow from investing activities	**(8,522.92)**	**(376.90)**
C. Cash flow from financing activities		
Repayment of debt securities	80.87	17,766.41
Proceeds/(Repayment) from borrowings (other than debt securities)	1,835.98	(27,551.88)
Proceeds from issue of Subordinated liabilities	3,122.04	6,232.79
Proceeds from issue of Compulsorily Convertible Preference Shares	2,627.98	-
Payment of lease liabilities	(506.02)	(492.15)
Net cash flow from financing activities	**7,160.84**	**(4,044.83)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**(12,048.84)**	**2,218.13**
Cash and cash equivalents at the beginning of the year	27,169.67	24,951.54
Cash and cash equivalents at the end of the year	**15,120.83**	**27,169.67**

Notes:

a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - "Statement of Cash Flows".

b) Components of cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Cash and cheques on hand	86.28	258.63
Balances with banks		
-In current accounts	12,966.29	16,274.45
-In deposit accounts with original maturity less than three months	2,068.26	10,636.58
	15,120.83	**27,169.67**

c) Reconciliation of liabilities from financing activities

Particulars	Debt Securities	Borrowings (Other than Debt Securities)	Subordinated Liabilities (Including CCPS)	Lease Liabilities
As at March 31, 2024	**40,991.88**	**130,579.80**	**7,786.15**	**1,260.89**
Cash flows	17,766.41	(27,551.88)	6,232.79	(492.15)
Non-cash changes, Fair value changes / lease liabilities during the year	(289.05)	(272.71)	(302.16)	624.82
As at March 31, 2025	**58,469.24**	**102,755.21**	**13,716.78**	**1,393.57**
Cash flows	80.87	1,835.98	5,750.02	(506.02)
Non-cash changes, Fair value changes / lease liabilities during the year	-	(25.75)	-	63.76
As at March 31, 2026	**58,550.10**	**104,565.44**	**19,466.80**	**951.30**

As per our report of even date
for **Sharp & Tannan**
Chartered Accountants
Firm's registration number: 003792S

For and on behalf of the Board of Directors of
Dvara Kshetriya Gramin Financial Services Private Limited
CIN : U65991TN1993PTC024547

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Partner
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Director & Chairman
DIN: 00912693
Place : Chennai

LVLN Murty
MD & CEO
DIN : 09618861
Place : Chennai

Abhik Sarkar
Chief Financial Officer
Place : Chennai
Date : May 13, 2026

Aravinthan B
Company Secretary
Membership No. A76929
Place : Chennai

Place : Chennai
Date : May 13, 2026

Dvara Kshetriya Gramin Financial Services Private Limited
Standalone Statement of changes in equity for the the year ended March 31, 2026
(All amounts are in Indian Rupees in Lakhs, except share data and as stated)

A Equity share capital

Particulars	**Number of shares**	**Amount**
Balance as at April 1, 2024	**10,887,144**	**10,887.14**
Add: Shares issued during the year	779,333	779.33
Balance as at March 31, 2025	**11,666,477**	**11,666.48**
Balance as at April 1, 2025	**11,666,477**	**11,666.48**
Add: Shares issued during the year	-	-
Balance as at March 31,2026	**11,666,477**	**11,666.48**

B Other equity

	Reserves and Surplus						**Other Comprehensive Income**			
B Other equity	**Statutory Reserves**	**Securities Premium**	**Capital Reserve**	**Retained Earnings**	**Employee stock option outstanding**	**General Reserve**	**Defined Benefit Obligations**	**Cash Flow Hedge Reserve**	**Fair Valuation Reserve**	**Total**
Balance as at April 1, 2024	**2,496.78**	**35,504.84**	**1,329.46**	**(14,558.67)**	**206.70**	**166.71**	**-**	**(857.49)**	**-**	**24,288.33**
Share based expenses	-	-	-	-	25.43	-	-	-	-	25.43
Profit for the year	-	-	-	118.31	-	-	-	-	-	118.31
Transfer from retained earnings/ to statutory reserve	23.66	-	-	(23.66)	-	-	-	-	-	-
Other comprehensive income (net of tax)	-	-	-	-	-	-	102.05	113.55	3,295.21	3,510.81
Transferred from OCI/ to retained earnings	-	-	-	102.05	-	-	-102.05	-	-	(0.00)
On issue of compulsorily convertible preference shares	-	2,805.60	-	-	-	-	-	-	-	2,805.60
On account of employee stock options lapsed	-	-	-	-	(6.41)	6.41	-	-	-	-
Balance as at March 31, 2025	**2,520.44**	**38,310.44**	**1,329.46**	**(14,361.97)**	**225.72**	**173.12**	**-**	**(743.94)**	**3,295.21**	**30,748.48**
Balance as at April 1, 2025	**2,520.44**	**38,310.44**	**1,329.46**	**(14,361.97)**	**225.72**	**173.12**	**-**	**(743.94)**	**3,295.21**	**30,748.48**
Share based expenses	-	-	-	-	69.19	-	-	-	-	69.19
Profit for the year	-	-	-	(3,683.97)	-	-	-	-	-	(3,683.97)
Other comprehensive income (net of tax)	-	-	-	-	-	-	49.70	975.68	(1,049.25)	(23.87)
Transferred from OCI/ to retained earnings	-	-	-	49.70	-	-	(49.70)	-	-	0.00
On account of employee stock options lapsed	-	-	-	-	(7.69)	7.69	-	-	-	-
Balance as at March 31,2026	**2,520.44**	**38,310.44**	**1,329.46**	**(17,996.24)**	**287.22**	**180.81**	**-**	**231.74**	**2,245.96**	**27,109.83**

The notes form an integral part of these standalone financial statements.

for Sharp & Tannan
Chartered Accountants
Firm's registration number: 003792S

For and on behalf of the Board of Directors of
Dvara Kshetriya Gramin Financial Services Private Limited
CIN : U65991TN1993PTC024547

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Chief Financial Officer
Place : Chennai
Date : May 13, 2026

Aravinthan B
Company Secretary
Membership No. A76929
Place : Chennai

1 Reporting Entity

Dvara Kshetriya Gramin Financial Services Private Limited ("the Company") was incorporated on March 4, 1993 under the provisions of the Companies Act, 1956 (as amended). The Company is registered with the Reserve Bank of India ("RBI") as a Non-Banking Financial Company ("NBFC") under Section 45-IA of the Reserve Bank of India Act, 1934 and is classified as a Middle Layer NBFC, not accepting public deposits, in accordance with the Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025, as amended from time to time. The Company has received the Certificate of Registration dated August 8, 2013, from the RBI to carry on the business.

The Company is primarily engaged in the business of providing loans and advances. It also acts as a business correspondent/ partner for banks, insurance companies, and other financial institutions in the distribution of financial products and services, particularly in rural and semi-urban areas. The Company's operations are aligned with its objective of enhancing financial access and supporting the financial well-being of individuals and enterprises in underserved rural markets.

The Non-Convertible Debentures ("NCDs") issued by the Company are listed on BSE Limited, and accordingly, the Company complies with the applicable provisions of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, to the extent applicable to listed debt securities.

2 Basis of preparation

2.1 Statement of compliance

These standalone standalone financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, notified under Section 133 of the Companies Act, 2013 ("the Act"), read with other relevant provisions of the Act.

These standalone financial statements have also been prepared in compliance with the applicable directions and guidelines issued by the Reserve Bank of India ("RBI") for Non-Banking Financial Companies, including the Reserve Bank of India (Non-Banking Financial Companies – financial statements: Presentation and Disclosures) Directions, 2025, as amended from time to time.

The standalone financial statements have been prepared on a going concern basis under the historical cost convention, except for certain financial instruments and other items which are measured at fair value at the end of each reporting period in accordance with the relevant Ind AS.

The 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.

Details of the company's material accounting policies are disclosed in note 3.

2.2 Presentation of standalone financial statements

The Balance Sheet, Statement of Profit and Loss and Statement of Changes in Equity have been prepared and presented in accordance with the format prescribed under Division III of Schedule III to the Companies Act, 2013, as amended from time to time, as applicable to Non-Banking Financial Companies ("NBFCs") complying with Ind AS. The Statement of Cash Flows has been prepared in accordance with Ind AS 7 – Statement of Cash Flows.

The Company presents its Balance Sheet in order of liquidity. An analysis of assets and liabilities into current and non-current is presented separately in the notes to the standalone financial statements.

Financial assets and financial liabilities are generally presented on a gross basis in the Balance Sheet. They are offset and presented net only when the Company has a legally enforceable right to set off the recognised amounts and intends to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.3 Functional and presentation currency

These standalone financial statements are presented in Indian Rupees ("INR"), which is also the Company's functional currency. All amounts have been rounded off to the nearest lakhs, up to two decimal places, unless otherwise indicated.

2.4 Basis of measurement

The standalone financial statements have been prepared on a historical cost basis, except for the following items which are measured at fair value or amortised cost, as applicable:

Items	Measurement basis
Financial assets measured at amortised cost.	Amortised Cost.
Financial assets measured at fair value (including derivative instruments, if any)	Fair value.
Financial liabilities	Amortised cost / Fair value, as applicable
Liabilities for share-based payment arrangements	Fair value.
Net defined benefit (asset) / liability	Fair value of plan assets less present value of defined benefit obligations.

2.5 Use of estimates and judgements

The preparation of the Company's standalone standalone financial statements requires management to make judgements and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

In view of the inherent uncertainties and subjectivity involved, actual results may differ from these estimates. Revisions to accounting estimates are recognised prospectively. The key areas involving significant judgements and estimates are set out below:

a) Business model assessment; (refer note 3.03)
b) Impairment of financial assets (Expected Credit Loss) – involves estimation of future cash flows, credit risk and forward-looking assumptions; (refer note 3.04)
c) Effective interest rate ("EIR") method – requires estimation of expected life of financial instruments and identification of fees and costs integral to yield; (refer note 3.04)
d) Fair value of financial instruments; (refer note 3.05)
e) Recognition of income in assignment transactions, including estimation of excess interest spread. (refer note 3.01)
f) Measurement of defined benefit obligations: key actuarial assumptions; (refer note 3.09)
g) Estimated useful life of property, plant and equipment, right of use assets and intangible assets; (refer note 3.07 & 3.08)
h) Recognition and recoverability of deferred tax assets; (refer note 3.11)
i) Provisions and other contingent liabilities (refer note 3.16)

3 Material accounting policies

This note sets out the material accounting policies adopted in the preparation of these standalone financial statements. These policies have been applied consistently to all periods presented, unless otherwise stated.

3.01 Revenue Recognition

The Company's revenue primarily comprises interest income on loans, fee and commission income, income from securitisation and assignment transactions and other operating income.

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind 115 :

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

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

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

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

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

a) Interest income

Interest income for all financial instruments that are measured at amortised cost is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. The calculation takes into account all contractual terms of the financial instrument. It includes any fees (such as processing fees) or incremental costs that are directly attributable and are an integral part of the EIR, but not future credit losses.

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

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

The Company calculates interest income by applying EIR to the gross carrying amount of financial assets other than credit-impaired assets.

When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Company recognises interest income by applying the effective interest rate to the carrying value of the financial asset. If the financial assets cure and are no longer credit impaired, the Company reverts to recognising interest income on a gross basis.

b) Fees and commission income

Fee and commission income that is integral to the effective interest rate is recognised as part of interest income in accordance with Ind AS 109 – Financial Instruments. Other fee and commission income is recognised in accordance with Ind AS 115 – Revenue from Contracts with Customers when the related performance obligation is satisfied.

Such income includes servicing fees on securitisation transactions and commission and brokerage income from the distribution of financial products. These are generally recognised at a point in time when the underlying service is rendered, or the transaction is completed, and it is probable that the economic benefits will flow to the Company and the amount can be reliably measured.

3.01 Revenue Recognition (continued)

c) Net gain on fair value changes

Mutual fund investments of the company are classified as financial assets measured at fair value through profit or loss (FVTPL). Changes in fair value, including unrealised gains/losses, are recognised in the Statement of Profit and Loss under "Net gain on fair value changes." Realised gains/losses on redemption are also recognised on a net basis in the same line item.

d) Net gain on derecognition of financial instruments

Income arising from assignment of loan assets is recognised in accordance with Ind AS 109 based on derecognition of the underlying financial assets.

Where the Company retains the right to receive excess interest spread ("EIS"), the present value of expected future cash flows is recognised upfront as income upon derecognition of the financial assets, to the extent permitted under applicable accounting standards. Subsequent changes in expected cash flows are recognised in profit or loss.

e) Other interest income

Other interest income comprises interest income on salary loans and the unwinding of discount on security deposits recognised using the effective interest rate (EIR) method. Such income is recognised over the relevant period in accordance with the principles of the effective interest rate method prescribed under Ind AS.

f) Other income

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

3.02 Finance costs

Finance costs comprise interest expense on borrowings and other financial liabilities, including term loans, debt securities, subordinated liabilities, cash credit facilities, lease liabilities and other borrowings. Finance costs also include interest and other finance charges arising on securitisation, as well as the amortisation of ancillary costs incurred in connection with borrowings.

Interest expense is recognised using the effective interest rate ("EIR") method in accordance with Ind AS 109 – Financial Instruments. Under the EIR method, interest expense, together with directly attributable transaction costs, premiums, discounts and other ancillary borrowing costs, is allocated over the expected life of the financial liability by applying a constant periodic rate to its amortised cost.

Interest on lease liabilities is recognised in accordance with Ind AS 116 – Leases using the effective interest method.

Finance costs are recognised in the Statement of Profit and Loss in the period in which they are accrue.

3.03 Financial instrument - initial recognition and measurement

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.

Financial assets primarily comprise loans and advances, investments in securities, trade and other receivables and cash and cash equivalents. Financial liabilities primarily comprise borrowings (including term loans, non-convertible debentures and subordinated debt) and trade payables.

A. Date of recognition

Financial assets and financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the instrument. For tradeable securities (including mutual fund units), the Company recognises the financial instrument on the settlement date. Debt securities issued by the Company are initially recognised on the date of origination.

B. Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments.

All recognised financial assets and financial liabilities are initially measured at fair value. Transaction costs and revenues that are directly attributable to the acquisition or issue of a financial asset or financial liability (other than financial assets and financial liabilities classified at Fair Value Through Profit or Loss ('FVTPL')) are added to or deducted from the fair value of the instrument, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of a financial asset or financial liability classified at FVTPL are recognised immediately in the Statement of Profit and Loss.

The following exceptions apply to the general principle above:

– Investments in subsidiaries are recognised at cost as permitted under Ind AS 27 'Separate standalone financial statements' and are therefore outside the scope of Ind AS 109.

– Trade receivables that do not contain a significant financing component (as defined in Ind AS 115 'Revenue from Contracts with Customers') are initially measured at transaction price.

C. Measurement categories of financial assets and liabilities

The Company classifies all of its financial assets based on the business model for managing those assets and the contractual cash flow characteristics of each asset into one of the following measurement categories:

i) Amortised cost

ii) Fair value through other comprehensive income ("FVOCI")

iii) Fair value through profit and loss ("FVTPL")

Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

3.03 Financial instrument - initial recognition and measurement (continued)

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

a) How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Company's key management personnel;

b) The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed;

c) How managers of the business are compensated, for example, whether the compensation is based on the fair value of assets managed or on the contractual cash flows collected; and

d) The expected frequency, value and timing of sales are also important aspects of the Company's assessment.

The Company monitors financial assets measured at amortised cost or FVOCI that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business model for which the asset was held. Such monitoring forms 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 not, whether a prospective change in classification is required.

Solely Payments of Principal and Interest ('SPPI') Assessment

As a second step of its classification process, the Company assesses the contractual terms of a financial asset to identify whether they meet the SPPI test. 'Principal' for this purpose is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of premium or discount). The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgment and considers relevant factors such as the currency in which the financial asset is denominated, the period for which the interest rate is set, and whether the instrument contains features such as prepayment options, extension clauses or leverage.

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

i) Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if, and only if, both of the following conditions are met:

a) the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

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

After initial recognition, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate ('EIR') method, less any allowance for expected credit losses. The EIR amortisation is included within interest income in the Statement of Profit and Loss. Losses arising from impairment are recognised in the Statement of Profit and Loss.

ii) Financial Assets at Fair Value Through Other Comprehensive Income (FVOCI)

A financial asset is measured at FVOCI if, and only if, both of the following conditions are met:

a) the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

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

Financial assets measured at FVOCI are measured at fair value at each reporting date. Fair value movements are recognised in Other Comprehensive Income ('OCI'). However, the Company recognises interest income (calculated using the EIR method), impairment losses and reversals, and foreign exchange gains or losses in the Statement of Profit and Loss. On derecognition of the asset, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the Statement of Profit and Loss.

iii) Financial assets at fair value through profit or loss (FVTPL)

A financial asset that does not meet the criteria for classification at amortised cost or FVOCI is classified and measured at FVTPL. In addition, the Company may, at initial recognition, irrevocably designate a financial asset as measured at FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency ('accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets classified at FVTPL are measured at fair value at each reporting date, and all gains and losses (including interest income and dividend income) are recognised in the Statement of Profit and Loss.

D. Classification and Measurement of Financial Liabilities

i) Initial recognition and measurement

All financial liabilities are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of a financial liability (other than financial liabilities classified at FVTPL) are deducted from the fair value of the financial liability on initial recognition.

ii) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. The EIR amortisation is included within finance costs in the Statement of Profit and Loss. Financial liabilities classified at FVTPL (including derivative liabilities not designated as hedging instruments) are subsequently measured at fair value, with all changes recognised in the Statement of Profit and Loss.

3.03 Financial instrument - initial recognition and measurement (continued)

E. Reclassification of Financial Assets and Liabilities

The Company reclassifies financial assets when, and only when, there is a change in the business model for managing those financial assets. Such changes are expected to be very infrequent, are determined by the those charged with governance as a result of external or internal changes that are significant to the Company's operations and must be demonstrable to external parties. The Company does not reclassify a financial asset simply because of a change in the market environment.

When a reclassification occurs, the classification and measurement requirements applicable to the new category are applied prospectively from the first day of the first reporting period following the change in business model. Financial liabilities are never reclassified. The Company did not reclassify any of its financial assets or liabilities during the year ended March 31, 2026.

F. Derecognition of Financial Assets and Financial Liabilities

i) Derecognition of Financial Assets — Substantial Modification of Terms

The Company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan with the difference recognised as a derecognition gain or loss in the Statement of Profit and Loss (to the extent that an impairment loss has not already been recorded). The newly recognised financial asset is classified as Stage 1 for Expected Credit Loss ('ECL') measurement purposes, unless the Company has information that indicates otherwise.

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the present value of the change in cash flows discounted at the original EIR, the Company records a modification gain or loss in the Statement of Profit and Loss (to the extent that an impairment loss has not already been recorded). If such a modification is carried out because of financial difficulties of the borrower, the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income calculated using the EIR method.

ii) Derecognition of Financial Assets — Other than Substantial Modification

A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is derecognised when:

- the contractual rights to receive cash flows from the financial asset have expired; or
- the Company has transferred all the risks and rewards of ownership of the financial asset substantially; or the Company has neither transferred nor retained all the risks and rewards of ownership of the financial asset substantially, but has transferred control of the asset.

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

When the Company has neither transferred nor retained substantially all the risks and rewards and has also not transferred control of the asset, the Company continues to recognise the transferred asset only to the extent of its continuing involvement. In that case, the Company also recognises an associated financial liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Company could be required to repay.

iii) Assignment Transactions

The Company transfers loan assets through direct assignment transactions. The transferred (assigned) portion of the loan is derecognised, and gains or losses are recognised in the Statement of Profit and Loss, only if the Company transfers substantially all the risks and rewards of ownership as specified in the underlying loan contracts.

Gain or loss arising on such assignment transactions is recorded upfront in the Statement of Profit and Loss, and the corresponding loan asset is derecognised from the Balance Sheet on the date of assignment. Where the transfer qualifies for derecognition, the entire excess interest spread ('EIS'), being the present value of the future spread income (discounted over the estimated life of the assigned pool), is recognised on the date of derecognition as upfront interest income receivable and correspondingly presented as a gain or loss on derecognition of financial assets. Where the Company retains an obligation to service the transferred financial asset, it recognises either a servicing asset or a servicing liability, measured at fair value.

iv) Transfer of Stressed Loan Assets to Asset Reconstruction Companies (ARCs)

The Company transfers stressed loan assets to Asset Reconstruction Companies ("ARCs") in accordance with the applicable regulatory framework prescribed by the Reserve Bank of India. Such transfers are assessed for derecognition in accordance with the principles of Ind AS 109 – Financial Instruments. Where the transfer qualifies for derecognition, the transferred loan assets are derecognised from the Balance Sheet on the date of transfer. The consideration received, in the form of Security Receipts ("SRs"), is recognised at its fair value on the date of transfer and is subsequently measured in accordance with the Company's accounting policy for financial instruments.

Where the fair value of the Security Receipts exceeds the carrying amount of the stressed loan assets transferred, the resulting excess is not recognised as income in the Statement of Profit and Loss. Instead, the Company recognises a corresponding provision by adjusting the carrying amount of the Security Receipts, considering the uncertainty associated with the ultimate redemption of the SRs and the expected recoveries from the underlying assets. The provision is reviewed periodically and adjusted based on the valuation and redemption of the Security Receipts, in accordance with the applicable regulatory requirements and the Company's accounting policy.

v) Securitisation Transactions

In the case of securitisation transactions where the Company retains substantially all the risks and rewards of ownership of a portion of the transferred loan assets, the Company continues to recognise the entire pool of loans on the Balance Sheet and recognises a collateralised borrowing for the proceeds received. The loans and the corresponding borrowing continue to be measured in accordance with the relevant policies for financial assets at amortised cost and financial liabilities, respectively.

3.03 Financial instrument - initial recognition and measurement (continued)

vi) Write-Off

The gross carrying amount of a financial asset is written off (either partially or in full) when the Company has no reasonable expectation of recovering the asset. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to write-off. The decision to write off is made in accordance with the Company's Board-approved provisioning and write-off policy.

Where the amount to be written off exceeds the accumulated ECL allowance already recognised, the difference is recorded as an additional impairment charge in the Statement of Profit and Loss in the period of write-off. A write-off constitutes a derecognition event. Financial assets written off may still be subject to enforcement activities under the Company's recovery procedures. Any recoveries made subsequent to write-off are credited to impairment on financial instruments in the Statement of Profit and Loss in the period of recovery.

vii) Derecognition of Financial Liabilities

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

G. Modification of Financial Assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise altered between initial recognition and maturity. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. The introduction or adjustment of existing covenants constitutes a modification even if those covenants do not affect cash flows immediately but may do so contingently.

The Company evaluates whether the cash flows of the modified asset are substantially different from those of the original asset. The assessment considers both quantitative factors (using the present value of revised cash flows discounted at the original EIR compared to the carrying amount of the original asset) and qualitative factors (including a change in currency, the underlying obligor, and whether the instrument continues to meet the SPPI criterion).

If the cash flows are substantially different, the original financial asset is derecognised, and a new financial asset is recognised at fair value on the modification date, plus any eligible transaction costs. In this case:

- fees that are considered in determining the fair value of the new asset, or that represent reimbursement of eligible transaction costs, are included in the initial measurement of the new asset; and
- all other fees are included in profit or loss as part of the gain or loss on derecognition.

If the cash flows are not substantially different, the modification does not result in derecognition. The Company recalculates the gross carrying amount of the financial asset as the present value of the renegotiated or modified contractual cash flows, discounted at the original EIR. The resulting modification gain or loss is recognised in the Statement of Profit and Loss. If the modification is carried out because of financial difficulties of the borrower, the gain or loss is presented together with impairment losses; otherwise, it is presented as interest income using the EIR method. Any costs or fees incurred on a non-derecognition modification adjust the carrying amount of the modified financial asset and are amortised over the remaining term using the EIR method.

3.04 Impairment of financial assets

A. Overview of Expected Credit Loss ('ECL') principles

In accordance with Ind AS 109, the Company applies the ECL model to evaluate impairment of all financial assets that are not measured at Fair Value Through Profit or Loss ('FVTPL'). ECL is a probability-weighted estimate of credit losses, measured as the present value of the difference between the cash flows contractually due to the Company and the cash flows it expects to receive, discounted at the original Interest Rate of the financial asset.

The ECL allowance is recognised at an amount equal to:

i) 12-Month ECL: Expected credit losses that result from those default events that are possible within 12 months after the reporting date. This measurement applies to financial assets where there has been no significant increase in credit risk ('SICR') since initial recognition (Stage 1).

ii.) Lifetime ECL: Expected credit losses that result from all possible default events over the expected life of the financial asset. This measurement applies to financial assets where there has been a significant increase in credit risk since initial recognition (Stage 2) or that are credit-impaired (Stage 3).

A loss allowance for lifetime ECL is required when the credit risk on a financial instrument has increased significantly since initial recognition. For all other instruments, the ECL is measured at the 12-month ECL. Both 12-month and lifetime ECLs are generally calculated on a collective (portfolio) basis for homogeneous pools of loans, except where individual assessment is more appropriate.

Where the Company has undrawn loan commitments subject to impairment requirements, it estimates the expected portion of the commitment that will be drawn down over its expected life, and calculates the ECL on the basis of the present value of expected cash shortfalls if the loan is drawn down.

Based on the above, the Company categorises its loans and financial assets into Stage 1, Stage 2 and Stage 3, as described below and summarised in the table:

Stage	Days Past Due	ECL Measurement	Credit Risk Classification
Stage 1	Up to 30 DPD	12-Month ECL	No significant increase in credit risk since initial recognition (low credit risk).
Stage 2	31–90 DPD (or qualitative SICR triggers)	Lifetime ECL	Significant increase in credit risk since initial recognition.
Stage 3	More than 90 DPD	Lifetime ECL	Credit-impaired (defaulted) assets.

3.04 Impairment of financial assets (continued)

Stage 1:

When a financial asset is first recognised, the Company classifies it in Stage 1 and recognises a 12-month ECL allowance. Stage 1 also includes financial assets where the credit risk has subsequently improved, and the asset has been reclassified (upgraded) from Stage 2 or Stage 3, provided there is no other evidence of SICR. The Company recognises interest income on Stage 1 assets on the gross carrying amount using the EIR method.

Stage 2:

When a financial asset has shown a significant increase in credit risk since initial recognition, including, as a rebuttable presumption, all assets that are more than 30 days past due, the Company reclassifies it to Stage 2 and records a lifetime ECL allowance. Stage 2 also includes assets reclassified (upgraded) from Stage 3, where the credit risk has improved, but SICR relative to initial recognition still exists. The Company recognises interest income on Stage 2 assets on the gross carrying amount using the EIR method.

Stage 3:

Financial assets considered credit-impaired are classified in Stage 3. The Company defines default, and consequently Stage 3 classification, as contractual payments of principal and/or interest being past due for more than 90 days, as well as other indicators of credit impairment described in Section C below. The Company records a lifetime ECL allowance for all Stage 3 assets. Once a financial asset is in Stage 3, interest income is recognised on the net carrying amount (i.e., the gross carrying amount less the ECL allowance) using the EIR method. A financial asset classified as Stage 3 shall be considered for migration to Stage 1 only when the default/overdue amount relating to the financial asset has been fully recovered and the financial asset is no longer considered credit-impaired.

B. Calculation of ECLs

The ECL for a financial asset is calculated as the product of three key components: Probability of Default ('PD'), Exposure at Default ('EAD'), and Loss Given Default ('LGD'), discounted at an approximation to the original interest rate of the financial asset. The key elements are defined below.

Probability of Default ('PD'):

PD is an estimate of the likelihood of default over a given time horizon. For Stage 1 assets, the 12-month PD is used; for Stage 2 and Stage 3 assets, lifetime PDs are used. A default may only happen at a certain time over the assessed period, provided the facility has not been previously derecognised and remains in the portfolio. PDs are derived from historical default experience across homogeneous portfolios, adjusted for reasonable and supportable forward-looking information.

Exposure at Default ('EAD')

EAD is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest (whether scheduled by contract or otherwise), and accrued interest from missed payments. For Stage 3 assets, EAD represents the exposure at the time of default.

Loss Given Default ('LGD')

LGD is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive, including from the realisation of any collateral or credit enhancements. LGD is generally expressed as a percentage of EAD. LGD estimates reflect the Company's historical loss and recovery experience and take into account the type, seniority, and value of collateral, as well as the time value of money through the discounting of expected recoveries.

The Company calculates PD, EAD and LGD to determine the ECL allowance on the portfolio of financial assets, discounted at an approximation to the original interest rate of the financial asset. The PDs, EADs and LGDs are reviewed, and changes in forward-looking estimates are analysed. Impairment losses and releases are accounted for and disclosed separately from modification losses or gains.

C. Significant Increase in Credit Risk ('SICR')

The Company monitors all financial assets that are subject to impairment requirements at each reporting date to assess whether there has been a significant increase in credit risk since initial recognition. If a SICR has occurred, the loss allowance is measured at lifetime ECL.

In making this assessment, the Company compares the risk of a default occurring on the financial instrument at the reporting date (based on the remaining maturity of the instrument) with the risk of default that was estimated at initial recognition. The Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information, without incurring undue cost or effort.

3.04 Impairment of financial assets (Continued)

The following are indicators, among others, that the Company considers as evidence of a significant increase in credit risk:

(a) the financial asset is 30 or more days past due on contractual payments (this represents a rebuttable presumption under Ind AS 109, i.e., unless the Company has reasonable and supportable information demonstrating that the SICR criteria are not met);

(b) A stage 2 classification on one loan of a borrower results in all other loans of the same borrower being assessed for SICR (cross-default / borrower-level assessment); and

(c) Significant increase in credit risk in comparable instruments or in the borrower's industry or geographic segment.

The Company applies the low credit risk exemption where a financial instrument has a low credit risk at the reporting date; in such cases, it may be assumed that the credit risk has not increased significantly since initial recognition. The Company monitors the appropriateness of this exemption on an ongoing basis.

D. Definition of Default and Credit-Impaired Financial Assets

The definition of default is fundamental to the determination of ECL, as it is a component of the PD and is used to determine whether the loss allowance should be based on 12-month or lifetime ECL.

The Company considers a financial asset to be in default and consequently credit-impaired (Stage 3) when contractual payments of principal and/or interest are past due for more than 90 days ('quantitative backstop').

Loan accounts where principal and/or interest are past due for more than 90 days, along with all other loan accounts of that customer (cross-default), continue to be classified as Stage 3 until overdue amounts across all loan accounts are cleared. A Stage 3 financial asset is upgraded to Stage 1 only upon clearance of all overdue amounts and when there is no other evidence of credit impairment.

The Company's definition of default is applied consistently with the prudential norms prescribed under the Master Direction – Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025 (as amended from time to time), and is used consistently for regulatory reporting and the assessment of credit impairment under Ind AS 109.

E. Forward-Looking Information and Macroeconomic Factors

The Company incorporates forward-looking information in the measurement of expected credit losses ("ECL") in accordance with the requirements of Ind AS 109. The assessment considers current and forecast economic conditions that are expected to influence the probability of default and the expected recoverability of financial assets. Relevant macroeconomic indicators are selected based on their relevance to the Company's portfolio, historical relationship with credit performance and expected future economic outlook.

The Company uses forward-looking macroeconomic scenarios such as unemployment rate and GDP, including a base case and alternative upside and downside scenarios, to estimate ECL. Appropriate probability weights are assigned to each scenario based on management's assessment of the likelihood of their occurrence. The impact of these scenarios is incorporated into the estimation of probability of default and other credit risk parameters used in the ECL model. The assumptions, methodologies and macroeconomic overlays are reviewed at each reporting date and updated, where necessary, to reflect changes in economic conditions, portfolio characteristics and emerging credit risk trends.

3.05 Determination of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using a valuation technique. In estimating the fair value of an asset or liability, the Company takes into account the characteristics that market participants would consider when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these standalone financial statements is determined on such basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value

For financial reporting purposes, fair value measurements are categorised into Level 1, Level 2 or Level 3 based on the observability and significance of the inputs used in the measurement, as follows:

Level 1: Inputs are unadjusted quoted prices in active markets for identical assets or liabilities to which the Company has access at the measurement date. A market is considered active only if transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis, and binding, exercisable price quotes are available at the reporting date.

Level 2: Inputs are observable, either directly or indirectly, other than quoted prices included within Level 1, and are significant to the fair value measurement in its entirety. Level 2 inputs include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; observable inputs other than quoted prices, such as interest rates, yield curves, implied volatilities and credit spreads; and inputs that are derived principally from or corroborated by observable market data over the entire period of the instrument's life.

Level 3: Inputs are unobservable and are significant to the fair value measurement in its entirety. Level 3 measurements are based on the best information available in the circumstances, which may include the Company's own internally developed data, and reflect assumptions that market participants would use when pricing the asset or liability.

Where inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, the fair value measurement is categorised in its entirety at the same level as the lowest level input that is significant to the measurement. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period in which the transfer occurs.

3.06 Foreign currency transactions and translations

Transactions in foreign currencies are initially recorded at the exchange rate prevailing at the date of the transaction. Where a transaction is recorded using an average rate, that rate is used only where it approximates the actual rate at the date of the transaction. At each reporting date, monetary assets and liabilities denominated in foreign currencies are retranslated at the closing exchange rate. Exchange differences arising on settlement or retranslation of monetary items are recognised in the Statement of Profit and Loss in the period in which they arise.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated using the exchange rate at the date the fair value was determined, with the resulting exchange difference recognised consistently with the gain or loss on the fair value remeasurement, that is, in the Statement of Profit and Loss or in Other Comprehensive Income, as applicable. Non-monetary assets and liabilities measured at historical cost in a foreign currency are translated at the exchange rate at the date of the original transaction and are not subsequently retranslated.

3.07 Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable costs of bringing the item to its working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located. If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Items of property, plant and equipment individually costing Rs. 5,000/- or less are not capitalised and are expensed to the Statement of Profit and Loss in the year of purchase. Any gain or loss arising on disposal of an item of property, plant and equipment is recognised in the Statement of Profit and Loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Company. All other subsequent expenditure is recognised in the Statement of Profit and Loss as incurred.

iii. Depreciation

Depreciation is calculated on the cost of items of property, plant and equipment less their estimated residual values, over their estimated useful lives using the Written Down Value ('WDV') method and is recognised in the Statement of Profit and Loss. Depreciation on additions is provided on a pro-rata basis from the date the asset is ready for use, and on disposals up to the date of disposal.

The estimated useful lives adopted by the Company are consistent with those prescribed under Part C of Schedule II to the Companies Act, 2013, except for leasehold improvements, which are depreciated over the lower of the lease period or 10 years/30 years (as the case may be). The useful lives are as follows:

Asset category	Estimated Useful life	Useful life as per Schedule II
Furniture and fittings	10 years	10 years
Vehicles	8 years	8 years
Office equipment	5 years	5 years
Computers and accessories	3 years	3 years
Leasehold improvements - HO	30 years	Not applicable
Leasehold improvements - Branch	Lower of Lease period or 10 years	Not applicable

Depreciation methods, useful lives and residual values are reviewed at the end of each financial year and adjusted prospectively, if appropriate.

3.08 Intangible assets

i. Goodwill

For the measurement of goodwill arising on a business combination, refer to Note 3.12. Subsequent to initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is not amortised but is tested for impairment annually or more frequently if events or changes in circumstances indicate that it may be impaired.

i. Other intangible assets

Intangible assets acquired by the Company are initially measured at cost. Such assets are subsequently measured at cost less accumulated amortisation and accumulated impairment losses, if any. Expenditure on internally generated goodwill and brands is recognised in the Statement of Profit and Loss as incurred.

ii. Subsequent expenditure

Subsequent expenditure on intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other subsequent expenditure is recognised in the Statement of Profit and Loss as incurred.

iii. Amortisation

Intangible assets are amortised on a straight-line basis over their estimated useful lives, from the date they are available for use, and are presented within depreciation and amortisation in the Statement of Profit and Loss. The estimated useful lives are as follows:

Asset category	Estimated Useful life
Computer software	5 years
Branch distribution network	5 years
Internally Generated Software	2 to 5 years

Amortisation methods, useful lives and residual values are reviewed at the end of each financial year and adjusted prospectively, if appropriate.

3.09 Employee benefits

i. Post-employment benefits

a) Defined contribution plan

The Company's contributions to provident fund, employee state insurance and other defined contribution schemes are recognised as an expense in the Statement of Profit and Loss as they fall due, based on the amount of contribution required to be made and when the services are rendered by the employees. The Company has no further obligation once the contributions have been paid.

b) Defined benefit plans - Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of its gratuity plan is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of the defined benefit obligation is performed annually by a qualified actuary using the Projected Unit Credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan (the 'asset ceiling'), taking into account any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, comprising actuarial gains and losses and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in the Balance Sheet with a corresponding debit or credit through Other Comprehensive Income in the period in which they occur. Remeasurements are not reclassified to the Statement of Profit and Loss in subsequent periods.

The net interest expense or income on the net defined benefit liability or asset is determined by applying the discount rate, used to measure the defined benefit obligation at the beginning of the annual period, to the opening net defined benefit liability or asset, adjusted for any changes during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to the defined benefit plan are recognised in the Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit relating to past service (past service cost or gain) or the gain or loss on curtailment is recognised immediately in the Statement of Profit and Loss. Gains and losses on settlement of a defined benefit plan are recognised in the Statement of Profit and Loss when the settlement occurs.

ii. Other long-term employee benefits - Compensated absences

Employees may carry forward a portion of unutilised accrued compensated absences for use in future service periods or receive cash compensation upon termination of employment. Since such compensated absences do not fall due wholly within twelve months after the end of the reporting period, the benefit is classified as a long-term employee benefit. The Company records an obligation for compensated absences in the period in which the employee renders services that increase this entitlement. The obligation is measured on the basis of an independent actuarial valuation using the Projected Unit Credit method. Remeasurement gains and losses are recognised in the Statement of Profit and Loss in the period in which they arise.

iii. Short-term employee benefits

Short-term employee benefits are expensed at the undiscounted amount expected to be paid in the period in which the related services are rendered. These benefits include performance incentives and compensated absences expected to occur wholly within twelve months after the end of the reporting period. The cost of short-term compensated absences is recognised as follows:

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

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

iv. Stock based compensation

The grant date fair value of equity-settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the vesting period being the period over which all specified vesting conditions are to be satisfied. The amount recognised as an expense reflects the best estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met. The cumulative expense recognised at each reporting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of awards that will ultimately vest. The impact of any revision to that estimate is recognised in the Statement of Profit and Loss with a corresponding adjustment to equity.

3.10 Leases

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

As a lessee

Recognition and Initial Measurement

The Company recognises a right-of-use ('ROU') asset and a corresponding lease liability at the lease commencement date for all leases.

The ROU asset is initially measured at cost, comprising:

(a) the initial amount of the lease liability;
(b) any lease payments made at or before the commencement date, less any lease incentives received;
(c) any initial direct costs incurred; and
(d) an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The lease liability is initially measured at the present value of lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. The incremental borrowing rate is determined by obtaining interest rates from external financing sources that reflect the terms of the lease and the type of asset leased.

Lease payments included in the measurement of the lease liability comprise:

(a) fixed payments, including in-substance fixed payments;
(b) variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
(c) amounts expected to be payable under a residual value guarantee; and
(d) the exercise price of a purchase option, if the Company is reasonably certain to exercise that option; lease payments in an optional renewal period, if the Company is reasonably certain to exercise an extension option; and penalties for early termination, unless the Company is reasonably certain not to terminate early.

Subsequent Measurement

The ROU asset is subsequently depreciated on a straight-line basis from the commencement date to the earlier of the end of the useful life of the asset or the end of the lease term. However, where the lease transfers ownership of the underlying asset to the Company by the end of the lease term, or the cost of the ROU asset reflects that the Company will exercise a purchase option, the ROU asset is depreciated over the useful life of the underlying asset on the same basis as property, plant and equipment. The ROU asset is also reduced by any impairment losses and adjusted for remeasurements of the lease liability.

The lease liability is subsequently measured at amortised cost using the effective interest method. The lease liability is remeasured when:

(a) there is a change in future lease payments arising from a change in an index or rate;
(b) there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee;
(c) the Company changes its assessment of whether it will exercise a purchase, extension or termination option; or
(d) there is a revision to an in-substance fixed lease payment.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the ROU asset. Where the carrying amount of the ROU asset has been reduced to zero, any further remeasurement is recognised in the Statement of Profit and Loss.

Presentation

The Company presents ROU assets as a separate line item on the face of the Balance Sheet. Lease liabilities are presented within borrowings or other financial liabilities, as appropriate.

Short-term leases

The Company has elected not to recognise ROU assets and lease liabilities for leases with a term of 12 months or less at the commencement date. Lease payments associated with such leases are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

3.11 Income tax

Income tax comprises current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to a business combination, or to an item recognised directly in equity or in Other Comprehensive Income, in which case the related tax is recognised in equity or Other Comprehensive Income, respectively.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received, after considering any uncertainty related to income taxes. Current tax is measured using tax rates and tax laws enacted or substantively enacted at the reporting date.

Current tax assets and current tax liabilities are offset only when there is a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

3.11 Income tax (continued)

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and unused tax credits.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, carried forward tax losses, and unused tax credits can be utilised. In the case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which the deferred tax asset can be realised.

Deferred tax assets, whether recognised or unrecognised, are reviewed at each reporting date. A previously unrecognised deferred tax asset is recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered. A previously recognised deferred tax asset is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of the related assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities, and when they relate to income taxes levied by the same tax authority on the same taxable entity, or on different taxable entities where the Company intends to settle current tax assets and liabilities on a net basis or expects to realise the asset and settle the liability simultaneously.

iii. Minimum Alternate Tax ("MAT")

Minimum Alternate Tax ('MAT') paid in accordance with the tax laws, which gives rise to future economic benefits in the form of tax credit against future income tax liability, is recognised as a deferred tax asset only when it is probable that the Company will pay normal income tax in future periods and thereby utilise the MAT credit within the period specified under the applicable tax laws. The MAT credit entitlement is reviewed at each reporting date and is reduced to the extent that it is no longer probable that the Company will pay normal income tax during the carry-forward period, with any such reduction recognised in the Statement of Profit and Loss.

3.12 Business combinations

In accordance with Ind AS 103, the Company accounts for these business combinations (other than those arising from common control) using the acquisition method when control is transferred to the Company. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exist clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction cost are expensed as incurred, except to the extent related to the issue of debt or equity securities.

Business combination arising from transfer of interests from entities under common control are accounted for as if the acquisition has occurred at beginning of the earliest comparative period or, if later, at the date that common control established; for this purpose comparative period of revised. The assets and liabilities are recognized at their carrying amounts. The identity of the reserves are preserved and they appear in the same form.

The accounting treatment of the business combinations undertaken by the Company during the year is set out in Notes 77 and 78 to these standalone financial statements.

3.13 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, balances with banks in current and deposit accounts, and short-term, highly liquid investments with an original maturity of three months or less from the date of acquisition that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value. For the purposes of the Statement of Cash Flows, cash and cash equivalents are presented net of bank overdrafts, if any, that are repayable on demand and form an integral part of the Company's cash management.

3.14 Segment reporting:

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Company's Chief Operating Decision Maker ('CODM') in order to make resource allocation decisions and to assess performance, and for which discrete financial information is available.

The Company's CODM has been identified by the Board of Directors as Managing Director and Chief Executive Officer. Based on the management approach as defined in Ind AS 108, the CODM reviews the Company's performance and allocates resources based on an analysis of performance indicators at the entity level. Accordingly, the Company has determined that it operates as a single reportable segment. As the Company operates in a single business and geographical segment, no additional segment disclosures are required.

3.15 Earnings per share

Basic earnings per equity share is computed by dividing the net profit or loss after tax attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the reporting period.

Diluted earnings per equity share is computed by dividing the net profit or loss after tax attributable to equity shareholders, adjusted for the after-tax effect of expenses associated with dilutive potential equity shares, by the weighted average number of equity shares and dilutive potential equity shares outstanding during the reporting period. Dilutive potential equity shares are deemed to have been converted as at the beginning of the period, unless issued at a later date. Potential equity shares are treated as dilutive only when their conversion to equity shares would decrease earnings per share or increase loss per share from continuing ordinary operations.

In computing diluted earnings per share, only potential equity shares that are dilutive and that do not increase earnings per share or decrease loss per share are included.

3.16 Provisions, Contingent Liabilities and Contingent Assets

Provisions

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of a past event, 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. Where the effect of the time value of money is material, provisions are measured at the present value of the expenditure expected to be required to settle the obligation, discounted at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The unwinding of the discount is recognised as a finance cost in the Statement of Profit and Loss. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Expected future operating losses are not provided for.

Contingent Liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognised in the standalone financial statements but are disclosed in the notes unless the possibility of an outflow of resources is remote.

Contingent Assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognised in the standalone financial statements. However, when the inflow of economic benefits is probable, the contingent asset is disclosed in the notes to the standalone financial statements. When the realisation of income is virtually certain, the related asset is no longer contingent and is recognised in the standalone financial statements.

3.17 Cash flow statement

The Statement of Cash Flows is prepared using the indirect method, whereby profit before tax is adjusted for the effects of non-cash transactions, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows. Cash flows from operating, investing and financing activities are presented separately. Taxes paid are classified as operating cash flows unless they can be specifically identified with financing or investing activities.

3.18 Derivative Financial Instruments and Hedge Accounting

a) Derivative Financial Instruments

The Company enters into derivative financial instruments, including Cross Currency Interest Rate Swaps ('CCIRS') and Cross Currency Swaps ('CCS'), to manage its exposure to foreign currency risk and interest rate risk arising primarily from foreign currency borrowings. The Company does not enter into derivative contracts for speculative or trading purposes.

Derivative financial instruments are initially recognised at fair value on the date on which the derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. A derivative with a positive fair value is recognised as a financial asset; a derivative with a negative fair value is recognised as a financial liability. The resulting gain or loss is recognised in the Statement of Profit and Loss immediately, unless the derivative is designated as a hedging instrument and qualifies for hedge accounting, in which case the timing of recognition in the Statement of Profit and Loss depends on the nature of the hedge relationship.

3.18 Derivative Financial Instruments and Hedge Accounting (continued)

b) Hedge Accounting

The Company applies hedge accounting for transactions that meet the specified criteria under Ind AS 109. At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship, the risk management objective and strategy for undertaking the hedge, the hedging instrument, the hedged item, the nature of the risk being hedged, the hedge ratio, and the method by which the Company will assess hedge effectiveness. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows and are assessed on an ongoing basis to confirm that they have been highly effective throughout the reporting periods for which they were designated.

c) Cash Flow Hedges

A cash flow hedge is a hedge of the exposure to variability in cash flows attributable to a particular risk associated with a recognised asset or liability, or a highly probable forecast transaction, that could affect the Statement of Profit and Loss. The effective portion of the cumulative gain or loss on the hedging instrument is recognised in Other Comprehensive Income and accumulated in equity under the cash flow hedge reserve. The ineffective portion is recognised immediately in the Statement of Profit and Loss. When the hedged cash flow affects the Statement of Profit and Loss, the accumulated effective portion is reclassified to the corresponding income or expense line. Where the hedged forecast transaction results in the recognition of a non-financial asset or liability, amounts previously recognised in Other Comprehensive Income are transferred and included in the initial cost of that asset or liability.

Hedge accounting is discontinued when the hedging instrument expires, is sold, terminated or exercised, or when the hedge no longer qualifies. Amounts accumulated in the cash flow hedge reserve are reclassified to the Statement of Profit and Loss when the forecast transaction ultimately affects profit or loss. If the forecast transaction is no longer expected to occur, the accumulated amount is recognised immediately in the Statement of Profit and Loss.

3.19 Impairment of Non-Financial Assets

The Company assesses at each reporting date whether there is any indication that a non-financial asset may be impaired. If any such indication exists, or when annual impairment testing is required for an asset, the Company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. Value in use is calculated as the present value of estimated future cash flows expected to be derived from the asset, discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The impairment loss is recognised in the Statement of Profit and Loss.

At each reporting date, the Company also assesses whether there is any indication that an impairment loss recognised in a prior period may no longer exist or may have decreased. If such indication exists, the recoverable amount is re-estimated, and the impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised in prior periods. Such reversal is recognised in the Statement of Profit and Loss. Impairment losses relating to goodwill are not reversed.

3.20 Recent Accounting Pronouncements

a) Lack of exchangeability – Amendments to Ind AS 21

MCA via notification dated 7 May 2025, announced amendments to Ind AS 21, The Effects of Changes in Foreign Exchange Rates, to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

b) Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - Amendments to Ind AS 1

MCA via notification dated 13 August 2025 announced amendments to Ind AS 1, Presentation of Financial Statements, which elaborate on guidance set out in Ind AS 1 by:

* clarifying that the right to defer settlement of a liability for at least 12 months after the reporting period; a) must have substance, and b) must exist at the end of the reporting period;

* stating that management's expectations around whether the settlement of a liability would be deferred or not, does not impact the classification of the liability;

* including requirements for liabilities that can be settled using an entity's own instruments; and

* stating that at the reporting date, the entity does not consider covenants that will need to be complied with in the future when considering the classification of the debt as current or non-current

In addition, an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

These amendments do not have any impact on these standalone financial statements

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4 Cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Cash and cash equivalents		
Cash on hand	86.28	258.63
Balances with banks		
- in current accounts	12,966.29	16,274.45
- in deposit accounts (Original maturity less than three months)	2,068.26	10,636.58
Total	**15,120.83**	**27,169.67**

Note: Balance with Banks in current accounts includes balance in Cash Credit accounts with banks as of 31st March 2026: Rs.7.97 Lakhs and 31st March 2025**:** Rs**.**8.02 Lakhs

5 Bank balance other than cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Deposit accounts under lien*	9,493.99	9,158.71
Deposit accounts without lien	19.71	76.81
Total	**9,513.70**	**9,235.52**

***Note:**

(i) Fixed deposit includes cash collateral amounting to Rs.4,938.94 Lakhs (March 31, 2025 : Rs.3,546.16 Lakhs) for securitisation transactions.

(ii) Balance fixed deposits other than those mentioned above has been provided as security for loans taken by the company.

6 Receivables

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables	196.99	313.38
Less: Impairment loss allowance (receivables)	(22.40)	(35.16)
Total	**174.59**	**278.22**

6.1 Receivables ageing schedule as on March 31, 2026

Particulars	< 6 months	6 months - 1 year	1-2 years	2-3 years	> 3 years	Total
(i) Undisputed – considered good	144.91	6.52	18.10	5.06	-	174.59
(ii) Undisputed – have significant credit risk	-	-	-	-	-	-
(iii) Undisputed – credit impaired	-	-	-	-	-	-
(iv) Disputed –considered good	-	-	-	-	-	-
(v) Disputed – have significant credit risk	-	-	-	-	-	-
(vi) Disputed – credit impaired	-	-	2.07	20.33	-	22.40
Trade Receivables	**144.91**	**6.52**	**20.17**	**25.39**	**-**	**196.99**
Less: Impairment loss allowance (receivables)	-	-	(2.07)	(20.33)	-	(22.40)
Total	**144.91**	**6.52**	**18.10**	**5.06**	**-**	**174.59**

6.2 Receivables ageing schedule as on March 31, 2025

Particulars	< 6 months	6 months - 1 year	1-2 years	2-3 years	> 3 years	Total
(i) Undisputed – considered good	261.02	12.18	3.14	1.88	-	278.22
(ii) Undisputed – have significant credit risk	-	-	-	-	-	-
(iii) Undisputed – credit impaired	-	-	-	-	-	-
(iv) Disputed –considered good	-	-	-	-	-	-
(v) Disputed – have significant credit risk	-	-	-	-	-	-
(vi) Disputed – credit impaired	-	-	34.70	0.46	-	35.16
Trade Receivables	**261.02**	**12.18**	**37.84**	**2.34**	**-**	**313.38**
Less: Impairment loss allowance (receivables)	-	-	(34.70)	(0.46)	-	(35.16)
Total	**261.02**	**12.18**	**3.14**	**1.88**	**-**	**278.22**

7 Loans

Particulars	As at March 31, 2026			As at March 31, 2025		
	At amortised cost	At fair value through OCI	Total	At amortised cost	At fair value through OCI	Total
A Based on nature						
Term Loans						
Gross term loans	145,835.58	34,258.84	180,094.42	131,627.17	56,597.66	188,224.84
Less: Impairment loss allowance	(4,867.07)	(195.73)	(5,062.80)	(10,181.54)	(301.49)	(10,483.03)
Net term loans	**140,968.51**	**34,063.11**	**175,031.62**	**121,445.64**	**56,296.17**	**177,741.81**
B Based on security						
Secured by tangible assets*	2,299.36	-	2,299.36	902.94	-	902.94
Unsecured	143,536.22	34,258.84	177,795.06	130,724.23	56,597.66	187,321.90
Gross term loans	**145,835.58**	**34,258.84**	**180,094.42**	**131,627.17**	**56,597.66**	**188,224.84**
Less: Impairment loss allowance	(4,867.07)	(195.73)	(5,062.80)	(10,181.54)	(301.49)	(10,483.03)
Net term loans	**140,968.51**	**34,063.11**	**175,031.62**	**121,445.64**	**56,296.17**	**177,741.81**
C Based on region						
Loans in India						
Public sector	-	-	-	-		
Others	145,835.58	34,258.84	180,094.42	131,627.17	56,597.66	188,224.84
Less: Impairment loss allowanc	(4,867.07)	(195.73)	(5,062.80)	(10,181.54)	(301.49)	(10,483.03)
Loans outside India	-	-	-			
Less: Impairment loss allowanc	-	-	-	-	-	-
Net term loans	**140,968.51**	**34,063.11**	**175,031.62**	**121,445.64**	**56,296.17**	**177,741.81**

Note:

*Secured exposures are secured by way of equitable mortgage of property and physical gold.

8 Investments

Particulars		As at March 31, 2026	As at March 31, 2025
At Fair Value through P&L			
Investment in Mutual Fund Liquid fund		-	88.30
Investment In ARC SR - CFM ARC TRUST		11,282.27	-
Investment in pass-through certificates (unquoted)			
In pass-through certificates			
Akara Capital Advisors Private Limited		-	1,874.72
Investment in Subsidiary (unquoted)			
Dvara KGFS Digital Services Private Limited	(Refer Note 77 & 78)	100.27	-
Total Investments		**11,382.54**	**1,963.02**
(i) Investments outside India		-	-
(ii) Investments in India		11,382.54	1,963.02
Total Investments		**11,382.54**	**1,963.02**

9 Other financial assets

Unsecured, considered good (At Amortised Cost)

Particulars		As at March 31, 2026	As at March 31, 2025
Security deposits		264.14	158.19
Unbilled revenue		169.63	101.44
Employee advances		100.90	114.14
13% Demand Promissory Note Receivable	(Refer Note 77 & 78)	75.35	-
Other's		932.02	1,321.29
Total		**1,542.05**	**1,695.06**

(All amounts are in Indian Rupees in Lakhs, except share data and as stated)

10 Property, plant and equipment

Particulars	Computers and Accessories	Furniture and fittings	Leasehold improvements	Office equipment	Vehicles	Total
Carrying amount						
As at April 01, 2024	**749.32**	**45.40**	**476.51**	**668.58**	**0.95**	**1,940.76**
Additions	330.07	2.75	88.45	171.11	-	592.38
Deletions	(6.97)	(33.13)	(1.74)	(59.59)	(0.44)	(101.87)
As at April 01, 2025	**1,072.42**	**15.02**	**563.23**	**780.10**	**0.51**	**2,431.27**
Additions	70.81	3.02	115.90	80.78	-	270.51
Deletions	(121.56)	-	-	(89.22)	-	(210.78)
As at March 31, 2026	**1,021.67**	**18.04**	**679.13**	**771.66**	**0.51**	**2,491.01**
Accumulated depreciation						
As at April 01, 2024	**540.02**	**25.76**	**311.64**	**462.50**	**0.76**	**1,340.67**
Depreciation for the year	246.99	12.61	62.28	133.12	0.17	455.16
Deletion	(6.62)	(30.68)	(1.65)	(57.01)	(0.44)	(96.41)
As at April 01, 2025	**780.38**	**7.69**	**372.27**	**538.60**	**0.48**	**1,699.42**
Depreciation for the period	106.25	2.22	65.54	125.22	-	299.23
Deletion	(33.14)	-	-	(79.63)	-	(112.77)
As at March 31, 2026	**853.49**	**9.91**	**437.81**	**584.19**	**0.48**	**1,885.88**
Carrying amount (net)						
As at April 01, 2025	**292.04**	**7.33**	**190.96**	**241.50**	**0.03**	**731.85**
As at March 31, 2026	**168.18**	**8.12**	**241.32**	**187.47**	**0.03**	**605.13**

10A Intangible Assets

Particulars		Other intangible assets				
		Goodwill	Internally Generated Software	Branch Distribution Network	Computer Software	Total
Carrying amount						
As at April 01, 2024		**227.88**	**139.08**	**2,221.00**	**598.91**	**2,958.99**
Additions		-	180.01	-	-	**180.01**
Deletions		-	-	-	-	-
As at April 01, 2025		**227.88**	**319.09**	**2,221.00**	**598.91**	**3,139.00**
Additions		-	119.09	-	-	119.09
Deletions		-	(47.01)	-	(136.25)	(183.26)
As at March 31, 2026		**227.88**	**391.18**	**2,221.00**	**462.66**	**3,074.83**
Accumulated amortisation						
As at April 01, 2024		**-**	**15.55**	**531.50**	**533.59**	**1,080.64**
Amortisation for the year		-	58.10	444.20	28.63	530.93
Deletion		**-**	**-**	**-**	**-**	-
As at April 01, 2025		**-**	**73.65**	**975.70**	**562.22**	**1,611.57**
Amortisation for the period		-	93.32	444.33	17.11	554.76
Deletion		-	(23.53)	-	(116.67)	(140.21)
As at March 31, 2026		**-**	**143.44**	**1,420.03**	**462.66**	**2,026.12**
Carrying amount (net)						
As at April 01, 2025	**-**	**227.88**	**245.45**	**1,245.30**	**36.68**	**1,755.31**
As at March 31, 2026	**-**	**227.88**	**247.74**	**800.97**	**-0.00**	**1,276.59**

(All amounts are in Indian Rupees in Lakhs, except share data and as stated)

10B Right of use assets ('ROUA')

Particulars	Office premises
Carrying amount	
As at April 01, 2024	**2,040.34**
Additions	431.15
Deletions	-
As at April 01, 2025	**2,471.49**
Additions	174.49
Deletions	(200.00)
As at March 31, 2026	**2,445.98**
Accumulated depreciation	
As at April 01, 2024	**966.95**
Depreciation for the year	377.18
Deletion	-
As at April 01, 2025	**1,344.13**
Depreciation for the year	402.98
Deletion	-
As at March 31, 2026	**1,747.11**
Carrying amount (net)	
As at April 01, 2025	**1,127.36**
As at March 31, 2026	**698.87**

10C Intangible asset under development

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	83.19	59.05
Add: Cost incurred during the year	198.38	204.15
Less: Amount capitalised during the year	119.09	180.01
Closing balance	**162.48**	**83.19**

Ageing

Particulars	<1 year	1-2 years	2-3 years	>3 years	Total
Projects in progress	92.29	70.19	-	-	**162.48**
Projects temporarily suspended	-	-	-	-	-
As at March 31, 2026	**92.29**	**70.19**	-	-	**162.48**

Particulars	<1 year	1-2 years	2-3 years	>3 years	Total
Projects in progress	74.94	8.25	-	-	**83.19**
Projects temporarily suspended	-	-	-	-	-
As at March 31, 2025	**74.94**	**8.25**	-	-	**83.19**

11 Other non-financial assets (at amortised cost)
Unsecured, considered good.

Particulars	As at March 31, 2026	As at March 31, 2025
Capital advances	11.41	30.73
Balances with government authorities	580.74	587.23
Prepaid expenses	982.60	397.15
Advance to vendors	74.16	138.08
Total	**1,648.91**	**1,153.19**

12 Derivative financial instruments

Particulars	As at March 31, 2026	As at March 31, 2025
Currency derivatives		
Cross currency interest rate swaps	7,189.77	691.26
Cross currency swaps	666.94	(16.51)
Total	**7,856.71**	**674.75**

13 Trade Payables

Particulars	As at March 31, 2026	As at March 31, 2025
Trade Payables		
(i) Total outstanding dues of micro enterprises and small enterprises	-	5.55
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	481.25	417.43
Total	**481.25**	**422.98**

13.1 Trade payables ageing schedule as on March 31, 2026

Particulars	Outstanding for following periods from due date of payment				
	< 1 year	1-2 years	2-3 years	>3 years	Total
(i) MSME - Undisputed dues	-	-	-	-	-
(ii) Others - Undisputed dues	481.25	-	-	-	481.25
(iii) MSME - Disputed dues	-	-	-	-	-
(iv) Others - Disputed dues	-	-	-	-	-
	481.25	-	-	-	**481.25**

* Trade payable includes unbilled dues amounting to Rs. 478.03 lakhs as at March 31, 2026.

13.2 Trade payables ageing schedule as on March 31, 2025

Particulars	Outstanding for following periods from due date of payment				
	< 1 year	1-2 years	2-3 years	>3 years	Total
(i) MSME - Undisputed dues	5.55	-	-	-	5.55
(ii) Others - Undisputed dues	417.43	-	-	-	417.43
(iii) MSME - Disputed dues	-	-	-	-	-
(iv) Others - Disputed dues	-	-	-	-	-
Total	**422.98**	-	-	-	**422.98**

* Trade payable includes unbilled dues amounting to Rs. 416.89 lakhs as at March 31, 2025.

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14 Debt securities

Particulars	As at March 31, 2026	As at March 31, 2025
At amortised cost:		
Secured debentures		
Redeemable, non-convertible debentures		
- from others	39,884.39	38,468.90
- from related parties (Refer Note 42)	65.00	75.00
Secured Bonds		
- from others parties	17,061.50	15,905.44
Unsecured debentures		
Redeemable, non-convertible debentures	1,539.22	4,019.90
Total	**58,550.10**	**58,469.24**
Debt securities in India	9,228.86	9,159.58
Debt securities outside India	49,321.24	49,309.66
Total	**58,550.10**	**58,469.24**

(A) Debt securities - Secured - Redeemable non-convertible debentures (NCDs) - Others

Particulars	Listed/ Unlisted	Rate of Interest	Repayment Type	Tenor (years)	As at March 31, 2026	As at March 31, 2025
174 units (March 31, 2025 : 236 units) redeemable non-	Unlisted	12.5% - 13.5%	Bullet Principal and Monthly Interest	2-4 Years	188.63	245.03
55 units (March 31, 2025 : 292 units)	Unlisted	12.5% - 13%	Bullet Principal and Interest	2-4 Years	77.95	380.15
Nil units (March 31,2025 :1500 units) redeemable non-convertible debentures of Rs. 1 Lakh each	Unlisted	13.75%	Monthly Principal and Monthly Interest	2 Years	-	260.87
2500 units (March 31,2025 :2500 units) redeemable non-convertible debentures of Rs.1 Lakhs each	Unlisted	13.50%	Monthly Interest and Half Yearly Principal till Mar-25 and there on Monthly	2-3 Years	150.00	1,967.31
50000 units (March 31,2025:50000 units) redeemable non-convertible debentures of Rs. 10,000 each	Listed	11.00%	Quarterly Principal and Monthly Interest	2 Year	1,877.16	4,381.29

14 Debt securities (continued)

(A) **Debt securities - Secured - Redeemable non-convertible debentures (NCDs) - Others (continued)**

45100- units (March 31,2025 355 units) redeemable non-convertible debentures of Rs. 1 lakhs each	Listed	11% - 15.00%	Bullet Principal and Monthly Interest	2-3 Years	4,588.40	1,275.71
4888 units (March 31,2025:4888units)redeemable non-convertible debentures of Rs. 1 Lakhs each	Listed	12.79%	Bullet Principal and Semi - Annual Interest	3 Years	4,888.00	4,908.57
Nil units (March 31, 2025: 40 units) redeemable non-convertible debentures of Rs. 1 crore each	Unlisted	13.5% - 15%	Monthly Principal and Interest	2 - 2.5 Years	-	653.33
7,496 units (March 31, 2025 :1214 units) redeemable non-convertible debentures of Rs. 10 lakhs each	Listed	10.50% - 12.90%	Bullet Principal and Quarterly Interest	3 - 4 Years	7,493.15	5,964.58
6600000 units (March 31, 2025: 6600000) redeemable non-convertible debentures of Rs. 100 each	Unlisted	13.50%	Bullet Principal and Quarterly Interest	3 -4 Years	6,600.00	6,675.67
-12011 units (March 31, 2025 : 12011 units) redeemable non-convertible debentures of Rs. 1 lakhs each	Listed	13.60%	Bullet Principal and Quarterly Interest	3.83 Years	11,939.45	12,149.74
-25000 units (March 31, 2025 : 0 units) redeemable non-convertible debentures of Rs. 1 lakhs each	Listed	11.00%	Yearly Principal and Monthly Interest	3 Years	2,502.35	-

14 Debt securities (continued)

(A) Debt securities - Secured - Redeemable non-convertible debentures (NCDs) - Others (continued)

-155 units (March 31, 2025 : 0 units) redeemable non-convertible debentures of Rs. 1 lakhs each	Listed	12.50%-12.75%	Bullet Principal and Interest	3 Years	191.53	-
Less : Unamortised Processing Fees					(612.22)	(393.35)
Total					**39,884.39**	**38,468.90**

(B) Debt securities - Secured - Redeemable non-convertible debentures (NCDs) from Related Parties

Particulars	Listed/ Unlisted	Rate of Interest	Repayment Type	Tenor	As at March 31, 2026	As at March 31, 2025
55 units (March 31, 2025 : 45 units) redeemable non-convertible debentures of Rs. 1 lakhs each	Unlisted	12.5% - 13%	Bullet Principal and Monthly Interest	3 Years	55.00	45.00
Nil units (March 31, 2025 : 20 units) redeemable non-convertible debentures of Rs. 1 lakhs each	Unlisted	12.5% - 13%	Bullet principal and Interest	3 Years	-	20.00
10 units (March 31, 2025 : 10 units) redeemable non-convertible debentures of Rs. 1 lakhs each	Listed	12.75%	Bullet principal and Monthly Interest	3 Years	10.00	10.00
Less : Unamortised Processing Fees					-	-
Total					**65.00**	**75.00**

Notes:

a) NCDs are secured by specific charge on loans in favour of the Trustee for the benefit of the debenture holders. The Company needs to maintain 1 to 1.2 times of security cover for the outstanding NCDs at any point of time.

b) Interest for the above NCDs are payable on monthly/quarterly/half yearly / yearly basis.

14 **Debt securities (continued)**

(C) **Debt securities - Secured Bonds - from other parties**

Particulars	Listed/ Unlisted	Rate of Interest	Repayment Type	Tenor	As at March 31, 2026	As at March 31, 2025
1800 units (March 31, 2025: 1800) Secured bonds from Other parties of USD 10,000 each	Listed	11.50% - 12.50%	Bullet principal and Semi annual Interest	3 Years	17,065.80	15,917.66
Less: Unamortised processing fees					(4.30)	(12.22)
Total					**17,061.50**	**15,905.44**

(D) **Debt securities - Unsecured - Redeemable non-convertible debentures**

Particulars	Listed/ Unlisted	Rate of Interest	Repayment Type	Tenor	As at March 31, 2026	As at March 31, 2025
2200 units (March 31, 2025:2200 units) redeemable non-convertible debentures of Rs. 1,00,000 each	Listed	14.50%	Yearly Principal and Monthly Interest	3 Years	1,540.10	2,213.98
Nil units (March 31, 2025 -180 units) redeemable non-convertible debentures of Rs. 10,00,000/- each	Unlisted	14.50%	Bullet principal and Monthly interest	3 Years	-	1,814.09
Less: Unamortised processing fees					(0.88)	(8.18)
Total					**1,539.22**	**4,019.90**

15 **Borrowings (Other than debt securities)**

Particulars	**As at March 31, 2026**	**As at March 31, 2025**
Measured at amortised cost		
Secured borrowings		
Term Loan from banks	16,039.91	29,672.61
Term Loan from others	16,764.52	16,077.39
Securitization borrowings	36,196.28	19,315.92
External commercial borrowings	35,564.73	36,780.31
Loan repayable on demand		
from banks	-	908.99
Total	**104,565.44**	**102,755.21**
Borrowings in India	69,000.71	65,974.90
Borrowings outside India	35,564.73	36,780.31
Subtotal	**104,565.44**	**102,755.21**

15 Borrowings (Other than debt securities) (continued)

a) The Borrowings have not been guaranteed by Director or others as at March 31, 2026 and as at March 31, 2025

b) The Company has borrowings from banks & FIs on the basis of security of Loans disbursed and the quarterly returns / statements of book debts filed with banks are in agreement with books of accounts as at March 31, 2026 and as at March 31, 2025.

c) The company has used the borrowings from banks and FIs for the specific purpose for which they were taken as at March 31, 2026 and as at March 31, 2025

d) There were no delays in repayment of borrowings as at March 31, 2026 and as at March 31, 2025

e) No Bank or Lender has declared the company as wilful defaulter as at March 31, 2026 and as at March 31, 2025

f) All charges / satisfaction of charges are registered with Registrar of Companies within statutory period as at March 31, 2026 and as at March 31, 2025

g) The Company has not classified any of its borrowings as immediately due during the year due to breach of covenants since the management is confident that there will not be any recall of such loans based on their discussion with lenders as at March 31, 2026 and as at March 31, 2025

A) Term Loans from Banks:

Repayment	Rate of	Tenor (years)	As at March 31, 2026	As at March 31, 2025
Monthly principal and Monthly Interest	12.45% - 13.00%	4 years	1,613.95	955.56
Monthly principal and Monthly Interest	11.75% - 13.00%	3 years - 4 years	8,687.83	9,360.99
Quarterly principal and Monthly Interest	11.75% - 12.85%	2 years - 3 years	4,319.37	15,653.27
Monthly principal and Monthly Interest	11.00% - 13.75%	2 years	1,550.46	3,885.67
Less: Unamortised Processing fees			(131.70)	(182.88)
Total			**16,039.91**	**29,672.61**

Notes:

All the above borrowings are secured by specific charge on the company's Loan assets . The Company needs to maintain a security cover ranging from 1.1 to 1.33 times of the outstanding amount at any point of time. Further, the Company has given cash collateral amounting to Rs. 5741.97 lakhs (March 31, 2025: Rs. 4498.34 lakhs) for the borrowings undertaken.

B) Term Loans from others:

Repayment Type	Rate of Interest	Tenor (years)	As at March 31, 2026	As at March 31, 2025
Monthly principal and Monthly interest	12.90% - 14.50%	3 Years	1,215.96	2,782.92
Yearly principal and Monthly interest	13.00%	3 Years	2,000.00	3,004.27
Monthly principal and Monthly interest	12.70% to 15.95%	2 years - 3 years	48.35	1,330.80
Monthly principal and Monthly interest	11.00% - 15.00%	2 Years	4,928.27	8,990.98
Monthly principal and Monthly interest	13.50% - 14.70%	1 year - 2 years	8,495.65	-
Monthly principal and Monthly interest	14.50%	< 1 year	253.09	-
Less: Unamortised processing fees			(176.80)	(31.58)
Total			**16,764.52**	**16,077.39**

Notes:

All the above borrowings are secured by specific charge on the company's loan assets . The Company needs to maintain a security cover ranging from 1.05 to 1.25 times of the outstanding loan amount at any point of time.Further, the Company has given cash collateral amounting to Rs. Nil (March 31, 2025: Rs. 55.42 lakhs) for the borrowings undertaken.

15 Borrowings (Other than debt securities) (continued)

(C) Securitization borrowings

Repayment Type	Rate of Interest	Tenor (years)	As at March 31, 2026	As at March 31, 2025
Monthly principal and Monthly interest	12.00% - 13.26%	1 year - 2 years	11,015.17	19,344.18
Monthly principal and Monthly interest	11.25% - 13.37%	2 years - 3 years	13,302.46	-
Monthly principal and Monthly interest	11.50% - 13.00%	3 years - 4 years	12,462.64	-
Less: Unamortised Processing Fee			(583.99)	(28.26)
Total			**36,196.28**	**19,315.92**

(D) External Commercial Borrowings

Repayment Type	Rate of Interest	Tenor (years)	As at March 31, 2026	As at March 31, 2025
Bullet principal and Half yearly interest	12.20% - 12.65%	3 years	10,610.19	8,840.49
Bullet principal and Half yearly interest	12.59%	4 years	4,718.10	6,199.59
Yearly principal and Half yearly interest	11.70%	4 years	7,078.74	6,291.67
Bullet principal and Half yearly interest	12.45%	5 years	13,323.94	15,778.17
Less: Unamortised processing fees			(166.24)	(329.61)
Total			**35,564.73**	**36,780.31**

Notes:

a) All the above loans are secured by specific charge on loans.

b) Interest rates are floating and are payable on a quarterly and half-yearly basis. The interest rates disclosed above represent the rates of interest as at March 31, 2026. The company has further hedged this interest risk.

(E) Loan repayable on demand:

Repayment Type	Rate of Interest	Tenor (years)	As at March 31, 2026	As at March 31, 2025
From banks				
Bullet principal and Monthly interest	12.55%	1 years	-	908.99
Total			-	**908.99**

Notes:

a) All the above borrowings from banks are secured by specific charge on the company's loan assets and cash collateral. The company needs to maintain a security cover 1.25 times of the outstanding amount at any point of time. Further, the company has given cash collateral amounting to Rs. Nil (March 31, 2025: Rs. 578.90 lakhs).

15a Subordinated Liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured		
Debentures	5,907.05	1,907.98
Subordinated Term Loan from banks	-	1,520.38
Subordinated Term Loan from others	10,931.77	10,288.42
0.001% Compulsorily convertible cumulative preference shares	2,627.98	-
Total	**19,466.80**	**13,716.78**
Subordinated Liabilities in India	19,466.80	13,716.78
Subordinated Liabilities outside India	-	-
Subtotal	**19,466.80**	**13,716.78**

15a Subordinated Liabilities (continued)

(A) Unsecured Debentures

Particulars	Repayment Type	Rate of Interest	Tenor (years)	As at March 31, 2026	As at March 31, 2025
2000 units(March 31 ,2025:2000Units) -Non-convertible debentures of Rs. 100,000	Bullet principal and Monthly Interest	12.5% - 18.5%	5 years	2,001.35	2,002.35
4250 units (March 31, 2025: Nil units) Non-convertible debentures of Rs. 100,000	Bullet principal and Half Yearly Interest	14.50%	10 years	4,250.00	-
Less: Unamortised processing fees				(344.30)	(94.37)
Total				**5,907.05**	**1,907.98**

(B) Subordinated term loans - from banks

Particulars	Repayment Type	Rate of Interest	Tenor (years)	As at March 31, 2026	As at March 31, 2025
From banks	Bullet principal	16.00%	7 years	-	1,520.38
Less: Unamortised processing fees				-	-
Total				**-**	**1,520.38**

(C) Subordinated term loans - from others

Particulars	Repayment Type	Rate of Interest	Tenor (years)	As at March 31, 2026	As at March 31, 2025
From others	Bullet principal and Monthly Interest	15.25%	6 years	1,500.00	1,502.51
	Half-yearly principal and Half yearly interest	13.35% - 14.90%	6-7 Years	4,740.50	8,846.65
	Bullet principal and Semi Annual Interest	13.35%	6 Years	4,740.50	-
Less: Unamortised processing fees				(49.23)	(60.74)
Total				**10,931.77**	**10,288.42**

Notes:

During the year ended March 31, 2026 and March 31, 2025, none of the Company's subordinated liabilities were classified as immediately due. While certain covenant-related matters were identified during the year, the respective lenders did not require immediate repayment, and accordingly, the subordinated liabilities continued to be classified in accordance with their contractual

(D) Compulsorily convertible cumulative preference shares

Particulars	Repayment Type	Rate of Interest	Tenor (years)	As at March 31, 2026	As at March 31, 2025
0.001% Compulsorily convertible cumulative preference shares*	-	0.001%	2.5 Years	2,627.98	-
Less: Unamortised processing fees				-	-
Total				**2,627.98**	**-**

*During the year ended March 31, 2026, the Company, on a private placement basis, allotted 6,89,304 Series 2 Compulsorily Convertible Preference Shares (‘Series 2 CCPS’) of face value Rs. 100 each at a premium of Rs. 310 per share. The Series 2 CCPS are compulsorily convertible into Equity Shares on or before 31 December 2027, with the conversion price to be determined based on the Company’s ROE for FY 2026-27, subject to the agreed formula.

(All amounts are in Indian Rupees in Lakhs, except share data and as stated)

15b Breach of Covenants:

S. No.	Lender	Covenant Sub Heading	Limit	Actual value	
				As at March 31, 2026	As at March 31, 2025
1	Aditya Birla Finance Limited	Gross NPA	<=5%	-	8.53%
		Debt to ATNW	<=5 times	-	-
2	Alteria Capital Advisors LLP	Gross NPA	<=5%	-	8.53%
3	Caspian Impact Investments Pvt Limited	PAR 90(%) to AUM	< 7.5%	-	7.83%
		PAR 30 (%) to AUM	< 10%	-	11.44%
4	Capri Global Capital Limited	PAR 90(%) to AUM	<=7.50%	-	7.83%
		Net NPA	<=3.50%	-	3.91%
5	Federal Bank Limited	Gross NPA	<=3%	3.66%	8.53%
		Net NPA	<=1.5%	1.64%	3.91%
6	Credit Saison Limited (Kisetsu Saison)	PAR90 (incl. managed portfolio) to AUM	<=4%	-	7.83%
7	Creation Investments FPI, LLC	PAR 90 Pre Write Off (current financial year) divided by AUM	<=1.5%	6.62%	11.29%
		PAR 90 Pre Write Off (current financial year) divided by on-book POS	<=1.5%	3.38%	11.63%
		PAR 30 divided by AUM	<=3.5%	7.24%	11.44%
		PAR 30 divided by on-book POS	<=3.5%	3.94%	10.58%
		Company shall not report losses in any quarter	Profit	Loss	Loss
8	Vivriti Capital Private Limited	Gross NPA	<=5%	-	8.53%
		Net NPA	<=3%	-	3.91%
9	Suryoday Small Finance Bank	Gross NPA	<=5%	-	8.53%
10	State Bank of India	Net NPA	<= 2.5%	-	3.91%
		Total outside liabilities/ Net owned funds	<= 5.75%	6.69%	-
11	RAR Fincare Limited	PAR 90+	<=3.5%	5.95%	7.83%
		Gross NPA	<=3%	3.66%	8.53%
		Net NPA	<=1%	1.64%	3.91%
12	The Muthoot Financial Limited	Gross NPA	<=5%	-	8.53%
13	MAS Financial Services Limited	Gross NPA	<=5%	-	8.53%
		Net NPA	<=2.50%	-	3.91%
14	UC Inclusive Credit Pvt Limited	PAR 90+	<=7%	-	7.83%
		Debt to Equity	< 4 times	-	4.12
15	Karur Vysya Bank	Gross NPA	<=5%	-	8.53%
		Net NPA	<=3%	-	3.91%
16	Piramal Enterprises Limited	Gross NPA	<=6%	-	8.53%
17	Maanaveeya Development & Finance Private Limited	PAR 90+ to AUM	<4%	5.95%	7.83%
		Operational Self Sufficiency	>=100%	92.56%	99.73%
18	OXYZO Financial Services Private Limited	(PAR 90+ + Trailing 12 Months Write off) / Total AUM	<= 6%	6.62%	11.29%
		ROA	> =0.75%	(1.62%)	0.05%
19	Kissanadhan Agri Financial Services Pvt Limited	PAR 90+	<=5%	-	7.83%
		Net NPA	<=3%	-	3.91%
20	Incred Financial Services Limited	(PAR 90+ + Trailing 12 Months Write off) / Total AUM	<=5%	-	11.29%
		(PAR 30+ + Trailing 12 Months Write off) / Total AUM	<=8%	-	14.91%

15b Breach of Covenants (continued)

S. No.	Lender	Covenant Sub Heading	Limit	Actual value	
				As at March 31, 2026	As at March 31, 2025
21	Karvy Capital Limited	(PAR 90+ + Trailing 12 Months Write off) / Total AUM	<=10%	-	11.29%
22	Blue Orchard Finance Limited	Portfolio At Risk over 30 days + Restructured Loans + Net Charge-offs during the last 12 months divided by the Outstanding Gross Loan Portfolio	<=10%	-	12.65%
		Portfolio at Risk over 90 days + Restructured Loans - Loan Loss Reserves divided by the Tier I Capital	<=10%	22.57%	23.15%
		Return on Assets(TTM)	0%	(1.62%)	0.00%
23	Northern Arc Capital Limited	Ratio of sum of the Par > 90 and write-offs (on the Borrower's entire portfolio including receivables sold or discounted on a non-recourse basis) to Gross Loan Portfolio	<=5%	-	11.29%
24	Enabling Qapital Limited	Ratio of the sum of (x) Portfolio at Risk over 30 days + Restructured Loans + Net Charge-offs during the last 12 months divided by (y) the Outstanding Gross Loan Portfolio (on + off balance sheet)	<=12%	-	12.65%
		Ratio of the sum of (x) Portfolio at Risk over 90 days + Restructured Loans – Loan Loss Reserve) divided by (y) Tier 1 Capital	<=10%	22.57%	23.15%
		Return on Assets(TTM)	0.00%	(1.62%)	-
25	Triple Jump B.V	PAR30+RL Maximum (GLP Financials)	<=7%	-	9.76%
		Write-off TTM (including interest to Average GLP)	<=5%	-	5.33%
		Adjusted ROA	>=0.5%	(2.37%)	(0.87%)
		Return on Assets	>=0%	(1.62%)	-
26	Vivriti Asset Management Limited	Gross NPA	<=3%	3.66%	8.53%
		Net non-performing assets (computed at PAR90 on total book less provisions for NPA) as percentage to tangible NW	<=10%	20.57%	21.69%
		Return on Assets	>=0%	(1.62%)	-
		Net NPA	<=3%	-	3.91%
		Debt to tangible networth	<4.5	4.75	-
27	IIX Global Charitable Limited	PAR 30+ to AUM	<=4%	7.24%	11.44%
		PAR 90+ to AUM	<=3%	5.95%	7.83%
		Cost to Income Ratio	<80%	124.90%	100.91%
		Operational Self Sufficiency Ratio	>=100%	92.19%	99.60%
		Loan Loss Reserve Ratio of PAR 90 Days	>=50%	44.24%	-
		Loan Loss Reserve Ratio of PAR 90 Days	>=55%	44.24%	-
28	Bonds India Limited	Tier I Capital	>=18%	17.78%	-
29	Grip Investment Technologies Private Limited	PAT is Not Negative for Last four consecutive quarters	Profit	Loss	-

Owing to the stress currently being witnessed in the financial inclusion space, there has been a substantial increase in delinquencies in this sector in the current financial year. The Company has not met certain covenants as on 31st March 2026 and has sent requests to the respective lenders to condone the non-compliance. As of the date of these standalone financial statements, none of the lenders have requested for acceleration of payment of the amounts due to them and therefore, no adjustments are required in these standalone financial statements.

(All amounts are in Indian Rupees in Lakhs, except share data and as stated)

16 Other financial liabilities (at amortised cost)

Particulars	As at March 31, 2026	As at March 31, 2025
Payable to assignees towards collections in assigned assets-securitization	2,758.69	4,807.09
Payable to asset reconstruction company trust	210.82	-
Lease liabilities	951.30	1,393.57
Payable to employees and others	1,052.41	1,102.94
Total	**4,973.22**	**7,303.60**

17 Provisions

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for guarantee	24.46	65.81
Provision for gratuity	313.17	15.13
Provision for compensated absences	459.99	321.80
Provision for service tax liability	18.75	18.75
Total	**816.38**	**421.50**

Refer note 40 for employee benefit disclosures

18 Other non-financial liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory liabilities	327.75	497.76
Income received in advance	-	10.97
Total	**327.75**	**508.74**

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19 Equity share capital

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised		
11,900,000 (March 31, 2025: 11,900,000) equity shares of INR 100 each	11,900.00	11,900.00
4,000,000 (March 31, 2025: 4,000,000) 0.001 compulsorily convertible cumulative preference shares of INR 100 each	4,000.00	4,000.00
	15,900.00	**15,900.00**
Issued, subscribed and fully paid up		
Equity shares:		
1,16,66,477 (March 31, 2025: 1,16,66,477) equity shares of INR 100 each	11,666.48	11,666.48
	11,666.48	**11,666.48**

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

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount (INR-Lakhs)	Number of shares	Amount (INR-Lakhs)
Equity shares of INR 100 each				
As at beginning of the year	11,666,477	11,666.48	10,887,144	10,887.14
Shares issued	-	-	-	-
Conversion of compulsorily convertible preference shares	-	-	779,333	779.33
As at the end of the year	**11,666,477**	**11,666.48**	**11,666,477**	**11,666.48**

Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date - **Nil**

Statement of changes in equity

Particulars	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
As at March 31, 2026			
Equity share capital	10,887,144	-	10,887,144
As at March 31, 2025			
Equity share capital	10,887,144	-	10,887,144

Rights, preferences and restrictions attached to equity share
The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and shares in the Company's residual assets. The equity shares are entitled to receive dividends as declared from time to time, subject to payment of dividends to preference shareholders. Dividends are paid in Indian Rupees. The dividend proposed by the board of directors, if any, is subject to the approval of the shareholders at the General Meeting, except in the case of an interim dividend. The voting rights of an equity shareholder on a poll (not on the show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

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

Rights, preferences and restrictions attached to compulsorily convertible preference shares
Each Compulsorily convertible cumulative preference share is convertible by its holder into one equity share. The holders of these shares are entitled to a cumulative dividend of 0.001%.

Preference shares carry a preferential right as to dividend over equity shareholders. The preference shares are entitled to one vote per share at meetings of the Company on any resolutions of the company directly affecting their rights. In the event of winding up, preference shareholders have a preferential right over equity shareholders to be repaid to the extent of capital paid up and dividend in arrears on such shares.

The Company has not issued any shares without payment being received in cash in the last 5 years immediately preceding the Balance sheet date.

Details of shareholders holding more than 5% shares in the company

Name of shareholder	As at March 31, 2026		As at March 31, 2025	
	Number of shares	% of total shares in class	Number of shares	% of total shares in class
Dvara Holdings- Trustee of Dvara Trust	3,650,428	31.29%	3,496,583	29.97%
Accion Africa-Asia Investment Company	2,720,061	23.32%	2,720,061	23.32%
Leapfrog Financial Inclusion India (II) Limited	2,508,105	21.50%	2,508,105	21.50%
Nordic Microfinance Initiative Fund IV KS	2,102,166	18.02%	2,102,166	18.02%
Stakeboat Capital Fund–I	656,874	5.63%	656,874	5.63%

Also refer note 41 in relation to ESOP.

Shareholding of promoters

Shares held by promoters As at March 31, 2026

S. No	Promoter name	No. of Shares	% of total shares	% Change during the year
1	Dvara Holdings (Trustee of Dvara Trust)	3,650,428	31.29%	4%
	Total	**3,650,428**	**31.29%**	**4%**

Shares held by promoters at 31st March 2025

S. No	Promoter name	No. of Shares	% of total shares	% Change during the year
1	Dvara Holdings (Trustee of Dvara Trust)	3,496,583	29.97%	0%
	Total	**3,496,583**	**29.97%**	**0%**

20 Other Equity

Particulars	As at March 31, 2026	As at March 31, 2025
a) Capital reserves	1,329.46	1,329.46
b) Securities premium	38,310.44	38,310.44
c) Employee stock option outstanding account	287.22	225.72
d) Statutory reserves	2,520.44	2,520.44
e) Retained earnings (Surplus / Deficit in Statement of Profit and Loss)	(17,996.24)	(14,361.97)
f) General Reserve	180.81	173.12
g) Other comprehensive income	2,477.70	2,551.27
Balance at the end of the year	**27,109.83**	**30,748.48**

Particulars	As at March 31, 2026	As at March 31, 2025
a) Capital Reserves		
At the commencement of the year	1,329.46	1,329.46
Balance at the end of the year	**1,329.46**	**1,329.46**
b) Securities premium account		
Balance at the beginning of the year	38,310.44	35,504.84
Add: Securities premium on issue of compulsorily convertible preference shares	-	2,805.60
Balance at the end of the year	**38,310.44**	**38,310.44**
c) Employee stock option outstanding account		
Balance at the beginning of the year	225.72	206.70
Add: Share based payment expense for the year	69.19	25.43
Less: Transferred to General Reserve	(7.69)	(6.41)
Balance at the end of the year	**287.22**	**225.72**
d) Statutory reserves		
(As per Section 45-IC of Reserve Bank of India Act, 1934)		
Balance at the beginning of the year	2,520.44	2,496.78
Add: Amount transferred from surplus in statement of profit and loss*	-	23.66
Balance at the end of the year	**2,520.44**	**2,520.44**

*20% of profit after tax (if any) for the period has been transferred based on the provisions of the Reserve Bank of India Act, 1934.

Particulars	As at March 31, 2026	As at March 31, 2025
e) Retained earnings (Surplus / Deficit in Statement of Profit and Loss)		
Balance at the beginning of the year	(14,361.97)	(14,558.67)
Add: Profit / (loss) for the year	(3,683.97)	118.31
Less: Transferred to statutory reserve	-	(23.66)
Less: Transfer from other comprehensive income	49.70	102.05
Balance at the end of the year	**(17,996.24)**	**(14,361.97)**
f) General Reserve		
Balance at the beginning of the year	173.12	166.71
Add: Transfer from employee stock option outstanding account	7.69	6.41
Balance at the end of the year	**180.81**	**173.12**
g) Other comprehensive income		
Balance at the beginning of the year	2,551.27	(857.49)
Add: Remeasurements of defined benefit asset/ (liability)	49.70	102.05
Add : Cash flow hedge reserve	975.68	113.55
Add : Fair valuation of loan	(1,049.25)	3,295.21
Less: Transfer to retained earnings	(49.70)	(102.05)
Balance at the end of the year	**2,477.70**	**2,551.27**

20 Other Equity (continued)

<u>Nature and purpose of reserve</u>

a) Capital Reserves

Pursuant to scheme of arrangement approved by the NCLT on March 07, 2019, the company has created a capital reserve in accordance with the applicable accounting standards.

b) Securities premium

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

c) Employee stock option outstanding

The share option outstanding account represents reserve in respect of equity-settled share options granted to the Company's employees in pursuance of the employee stock option plan.

d) General Reserve

The general reserve consists of transfers from the employee stock option outstanding reserve due to the forfeiture of vested share options granted to employees. The reserve can be utilized by the Company in accordance with the Companies Act, 2013.

e) Statutory Reserve

Statutory Reserve is created in accordance with section 45 IC(1) of the RBI Act, 1934. As per this section, no appropriation of any sum from this reserve fund shall be made by the non-banking financial company except for the purpose as may be specified by RBI.

f) Retained earnings

Retained earnings is the accumulated available profit/loss of the Company carried forward from earlier years.

g) Other comprehensive income

a) Remeasurement of the net defined benefit liabilities comprise actuarial gain or loss, return on plan assets excluding interest and the effect of asset ceiling, if any.

b) The Company has applied hedge accounting for designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity as cash flow hedge reserve.

c) Changes in the fair value of financial instruments classified as fair value through other comprehensive income (FVOCI) are recognised in other comprehensive income and accumulated in the fair valuation reserve within other equity, in accordance with Ind AS 109, Financial Instruments.

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(All amounts are in Indian Rupees in Lakhs, except share data and as stated)

21 Interest income

(Interest income on financial assets measured at amortised cost)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest income		
Interest income on loans to customers	38,417.74	41,574.97
Interest income from securitisation	7,753.67	6,852.19
Interest income from investments	79.66	862.54
Interest on fixed deposits	685.90	929.94
Other interest income	17.16	57.68
Total	**46,954.12**	**50,277.32**

22 Fees and commission income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Fees income	245.45	59.81
Commission income	825.66	1,787.36
Total	**1,071.11**	**1,847.17**

23 Net gain/(loss) on fair value changes:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Net gain on financial instruments at fair value through profit or loss (FVTPL)		
On trading portfolio		
Mutual fund investments at FVTPL	280.96	449.33
Total	**280.96**	**449.33**
Fair value changes		
Realised	280.96	442.24
Unrealised	-	7.09
Total	**280.96**	**449.33**

24 Net gain on derecognition of financial instruments

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Gain on sale of loan portfolio through assignment	1,851.78	5,297.14
Total	**1,851.78**	**5,297.14**

25 Other Income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest on income tax refund	68.27	30.95
Net gain / (loss) on sale of an intangible asset	29.12	-
Other income	104.31	49.19
Total	**201.70**	**80.14**

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26 Finance Costs
(Finance costs on financial liabilities measured at amortised cost)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expense on borrowings		
- term loans from banks	2,727.70	5,164.90
- securitised portfolio	2,415.57	2,403.62
- term loans from others	2,307.32	2,606.74
- term loans from related parties	4.60	87.59
- external commercial borrowings	6,399.17	4,487.69
Interest on debt securities	5,965.51	7,739.42
Interest on Subordinated Liabilities	1,477.52	1,886.88
Interest on Cash Credit	5.24	37.31
Other interest expense	83.96	3.68
Amortisation of ancillary costs relating to borrowings	1,815.40	1,593.39
Interest expense on lease liabilities	167.31	193.19
Total	**23,369.30**	**26,204.40**

27 Fees and commission expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Commission expense	372.36	552.40
Recovery costs	26.96	6.33
Total	**399.32**	**558.72**

28 Impairment on financial instruments

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Impairment loss allowance		
(a) on loans	9,070.43	11,900.34
(b) on receivables	-	35.16
Bad debt written off	1,308.08	4,148.21
Subtotal	**10,378.51**	**16,083.71**
Less: Bad debts Recovered	(51.69)	(736.42)
Total impairment of financial assets	**10,326.82**	**15,347.29**

*Impairment loss allowance on loan includes provision for guarantee (Refer Note 17)

During the year ended March 31, 2026, the Company technically wrote off gross term loans amounting to exposure at default (EAD) of Rs. 2,475.44 lakhs. The Company carried a provision for Expected Credit Loss ("ECL") of Rs. 1,486.77 lakhs against the loans written off during the year.

29 Employee benefits expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salary and bonus expenses	12,544.45	10,179.55
Contribution to provident and other funds	1,306.49	1,130.99
Staff welfare expenses	675.04	239.19
Share based payments to employees	69.19	25.43
Total	**14,595.17**	**11,575.17**

30 Depreciation and amortization expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation of property, plant and equipment	299.23	455.16
Amortisation of intangible assets	514.68	450.78
Depreciation of right of use assets	224.88	288.96
Total	**1,038.78**	**1,194.89**

31 Other expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Rent	433.51	157.35
Electricity and water charges	103.21	75.17
Repairs and maintenance	66.86	53.91
Communication expenses	155.38	312.69
Printing and stationery	42.47	95.04
Payment to auditors (refer note 31.1)	74.55	77.10
Legal and professional charges	1,067.40	318.42
Insurance	28.15	348.53
Rates and taxes	322.29	396.80
Office maintenance	130.06	175.59
Travelling, conveyance and lodging	1,110.26	922.74
Corporate social responsibility expenses (refer note 31.2)	-	61.74
Technology fees	708.29	147.89
Other expenses	437.18	87.23
Total	**4,679.62**	**3,230.21**

31.1 Payments to auditors (excluding goods and services tax)

	For the year ended March 31, 2026	For the year ended March 31, 2025
As auditor:		
Statutory audit	32.20	27.00
Limited review	24.60	21.05
Tax audit	4.40	4.00
Other services	1.41	20.65
Reimbursement of expenses	11.94	4.40
Total	**74.55**	**77.10**

Note: Payment to auditors for the year ended March 31, 2025 includes fees paid to predecessor auditors

31.2 Details of Corporate Social Responsibility expenditure

As per section 135 of the Companies Act, 2013, the Company is required to spend 2% of its average net profit of the immediately three preceding financial years on CSR.

	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Amount required to be spent by the Company during the period/year	-	61.74
(b) Amount of expenditure incurred during the period/year :		
i) Construction / acquisition of any asset	-	-
ii) On purposes other than (i) above	-	61.74
(c) Shortfall at the end of the period/year	-	-
(d) Total of previous years shortfall,	-	-
(e) Reason for shortfall		
(f) Nature of CSR activities	-	*

* The company donated 100 oxygen concentrators to public health centres and nursing homes. This initiative was launched during the second wave of COVID-19 to help communities and our customers at large, not just for COVID-19 emergencies but also for all health conditions that require oxygen support.

* The Company has undertaken CSR initiatives aimed at bridging the rural-urban digital divide by facilitating digital access and literacy in rural areas. The activities primarily focus on empowering rural women through training in digital literacy, financial literacy, and digital entrepreneurship. Additionally, the initiatives support women in becoming autonomous decision-makers and community information providers. These efforts are implemented through Community Information Resource Centres (CIRCs), which also offer digital services and assist the local population in accessing government entitlements.

Details of excess amounts spent carried forward for utilisation in future years:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a) Opening balance	14.48	38.92
b) Amount required to be spent during the year	-	61.74
c) Amount spent during the year	23.66	37.30
d) Closing balance	38.15	14.48

Note:

There is no shortfall in the CSR amount required to be spent by the company as per section 135(5) of the Act for the year ended March 31, 2025.

(All amounts are in Indian Rupees in Lakhs, except share data and as stated)

32 Income Tax

i Amounts recognized in profit or loss

Particulars	As at March 31, 2026	As at March 31, 2025
Current tax		
In respect of current period/year	98.18	1,042.80
In respect of previous years	-	(121.38)
	98.18	**921.42**
Deferred tax		
Attributable to–		
1) Origination and reversal of temporary timing differences	(405.25)	(911.76)
2) MAT credit entitlement	(58.30)	(287.55)
	(463.55)	**(1,199.31)**
Total tax charge	**(365.37)**	**(277.89)**

ii Income tax recognized in other comprehensive income

Re-measurements of the defined benefit plan		
Income tax relating to items that will not be reclassified to profit or loss relating to remeasurement of defined benefit plans.	16.72	41.92
Hedge reserve and Fair valuation reserve		
Income tax relating to items that will be reclassified to profit or loss relating to remeasurement of hedge reserve account	(24.75)	1,400.44

iii Reconciliation of total tax expense

Particulars	As at March 31, 2026	As at March 31, 2025
Accounting profit before tax	(4,049.34)	(159.58)
Applicable tax rate	34.94%	29.12%
Computed tax expense	**(1,415.00)**	**(46.47)**
Add:		
a. Non Deductible Expenses		
(i) Interest and penalty	3.21	0.15
(ii) CSR Expense	-	17.98
(iii) Gain on sale of Intangible assets	(10.17)	-
(iv) Employee stock option forfeited	2.69	7.90
b. Others		
(i) Impact of carrying value of property, plant, and Equipment.	(137.13)	(124.33)
(ii) Impact of brought forward losses and unabsorbed depreciation	1,798.60	-
(iii) Impact of change in tax rate for the year	(395.78)	-
(iv) Others	(221.96)	(11.74)
c.Tax pertaining to earlier years	-	(121.38)
Tax expense derived	**(375.55)**	**(277.89)**

iv Deferred tax

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

Particulars	As at March 31, 2024	Statement of profit and loss	OCI	As at March 31, 2025	Statement of profit and loss	OCI	As at March 31, 2026
Component of Deferred tax asset / (liability)							
Deferred tax asset / (liability) in relation to:							
a) Difference between written down value of PPE as per books of accounts and income tax	84.69	149.53	-	234.22	31.67	-	265.89
b) Provision for employee benefits	-	41.92	(41.92)	-	16.72	(16.72)	-
c) Hedge impact on borrowings and reserve	289.57	-	(46.65)	242.92	8.00	(328.18)	(77.26)
d) Fair value of loan portfolio	-	-	(1,353.79)	(1,353.79)	183.64	352.93	(817.22)
e) Impairment on financial instruments	1,243.04	1,769.00	-	3,012.04	(1,738.26)	-	1,273.79
f) Unamortised processing charges	(102.29)	128.61	-	26.33	(120.27)	-	(93.95)
g) Carryforward of business loss	-	-	-	-	1,798.60	-	1,798.60
h) Amortisation of transaction cost	-	(518.24)	-	(518.24)	212.93	-	(305.32)
i) MAT credit entitlement	939.44	(287.55)	-	651.89	(58.30)	-	593.59
j) Upfront income recognised on Direct Assignment transactions	(884.74)	(11.09)	-	(895.83)	233.83	-	(662.00)
k) Others	150.59	48.52	-	199.11	(105.00)	-	94.11
Total	**1,720.31**	**1,320.70**	**(1,442.36)**	**1,598.65**	**463.55**	**8.03**	**2,070.23**

33 Earnings per share ('EPS')

Particulars	As at March 31, 2026	As at March 31, 2025
Earnings		
Net profit attributable to equity shareholders for calculation of basic EPS	(3,683.97)	118.31
Net profit attributable to equity shareholders for calculation of diluted EPS	(3,683.97)	118.31
Shares		
(a) Equity shares at the beginning of the period/year	11,666,477	10,887,144
(b) Shares issued during the period/year	-	779,333
(c) Total number of equity shares outstanding at the end of the period/year	11,666,477	11,666,477
(d) Outstanding compulsorily convertible preference shares	-	-
(e)Weighted average number of equity shares outstanding during the period/year for calculation of basic EPS (c)+(d)	11,666,477	11,666,477
(f) Diluted effect of outstanding stock options	209,814	3,314
(g) Diluted effect of Compulsorily Convertible Preference Shares	-	-
(h) Weighted average number of equity shares outstanding during the period/year for calculation of diluted EPS	11,876,291	11,669,791
Face value per share	100.00	100.00
Earning per share		
Basic	(31.58)	1.01
Diluted	(31.58)	1.01
	Annualised	Annualised

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(All amounts are in Indian Rupees in Lakhs, except share data and as stated)

34 Maturity Analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. With regard to loans and advances to customers, the company uses the same basis of expected repayment behaviour as used for estimating the EIR.

Particulars	As at March 31, 2026			As at March 31, 2025		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Assets						
Cash and cash equivalents	15,120.83	-	15,120.83	27,169.67	-	27,169.67
Bank balance other than cash and cash equivalents	5,542.32	3,971.38	9,513.70	6,090.03	3,145.49	9,235.52
Derivative financial instruments	7,856.71	-	7,856.71	-	674.75	674.75
Receivables	174.59	-	174.59	278.22	-	278.22
Loans	99,954.25	75,077.37	175,031.62	110,090.68	67,651.12	177,741.81
Investments	-	11,382.54	11,382.54	1,963.02	-	1,963.02
Other financial assets	1,277.91	264.14	1,542.05	1,510.40	184.66	1,695.06
Current tax assets (net)	-	872.99	872.99	-	805.40	805.40
Deferred tax assets (net)	-	2,070.23	2,070.23	-	1,598.65	1,598.65
Property, plant and equipment	-	605.13	605.13	-	731.85	731.85
Intangible asset under development	-	162.48	162.48	83.19	-	83.19
Goodwill	-	227.88	227.88	-	227.88	227.88
Other intangible assets	-	1,048.72	1,048.72	-	1,527.44	1,527.44
Right of Use Asset	259.39	439.48	698.87	330.52	796.85	1,127.36
Other non-financial assets	1,624.99	23.92	1,648.91	1,153.01	0.18	1,153.19
Total Assets	**131,810.99**	**96,146.26**	**227,957.25**	**148,668.74**	**77,344.28**	**226,013.01**
Liabilities						
Trade payables						-
-total outstanding dues of micro and small enterprises	-	-	-	5.55	-	5.55
-total outstanding dues of creditors other than micro and small enterprises	481.25	-	481.25	417.43	-	417.43
Debt securities	27,305.99	31,244.11	58,550.10	14,414.30	44,054.95	58,469.24
Borrowings (Other than debt securities)	63,256.96	41,308.48	104,565.44	55,052.36	47,702.85	102,755.21
Subordinated Liabilities	-	19,466.80	19,466.80	1,520.38	12,196.40	13,716.78
Other financial liabilities	4,114.90	858.32	4,973.22	6,220.48	1,083.11	7,303.60
Provisions	797.63	18.75	816.38	193.31	228.19	421.50
Other non-financial liabilities	327.75	-	327.75	508.74	-	508.74
Total Liabilities	**96,284.48**	**92,896.46**	**189,180.94**	**78,332.56**	**105,265.49**	**183,598.05**
EQUITY						
Equity share capital	-	11,666.48	11,666.48	-	11,666.48	11,666.48
Other equity	-	27,109.83	27,109.83	-	30,748.48	30,748.48
Total Equity	**-**	**38,776.31**	**38,776.31**	**-**	**42,414.96**	**42,414.96**
Total Liabilities & Equity	**96,284.48**	**131,672.77**	**227,957.25**	**78,332.56**	**147,680.45**	**226,013.01**

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(All amounts are in Indian Rupees in Lakhs, except share data and as stated)

35 Financial instrument

A Fair value measurement

Valuation principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions i.e., exit price. This is regardless of whether that price is directly observable or estimated using a valuation technique.

Financial instruments by category

The carrying value and fair value of financial instruments measured at fair value as of March 31, 2026 were as follows:

	Carrying amount		
Particulars	**Amortised cost**	**FVTPL**	**FVOCI**
Financial Assets:			
Cash and cash equivalents	15,120.83	-	-
Bank balance other than cash and cash equivalents	9,513.70	-	-
Derivative financial instruments	-	-	7,856.71
Trade Receivables	174.59	-	-
Loans	140,968.51	-	34,063.11
Investments	100.27	11,282.27	-
Other financial assets	1,542.05	-	-
Total	**167,419.95**	**11,282.27**	**41,919.82**
Financial Liabilities:			
Trade payables	481.25	-	-
Debt securities	58,550.10	-	-
Borrowings (Other than debt securities)	104,565.44	-	-
Subordinated Liabilities	19,466.80		
Other financial liabilities	4,973.22	-	-
Total	**188,036.81**	**-**	**-**

The carrying value and fair value of financial instruments measured at fair value as of March 31, 2025 were as follows:

	Carrying amount		
Particulars	**Amortised cost**	**FVTPL**	**FVOCI**
Assets:			
Cash and cash equivalents	27,169.67	-	-
Bank balance other than cash and cash equivalents	9,235.52	-	-
Derivative financial instruments	-	-	674.75
Trade Receivables	278.22	-	-
Loans	121,445.64	-	56,296.17
Investments	1,874.72	88.30	-
Other financial assets	1,695.06	-	-
Total	**161,698.83**	**88.30**	**56,970.92**
Liabilities:			
Trade payables	422.98	-	-
Debt securities	58,469.24	-	-
Borrowings (Other than debt securities)	102,755.21	-	-
Subordinated Liabilities	13,716.78	-	-
Other financial liabilities	7,303.60	-	-
Total	**182,667.81**	**-**	**-**

Note:

Fair Value of Assets & Liabilities carried at Amortised Cost in the books are close to the Fair Value and hence are not separately disclosed.

36 Financial risk management objectives and policies

(a) The Company's principal financial liabilities comprise borrowings from banks, financial Institutions and issue of debentures. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include loan and advances, investments and cash and cash equivalents that are derived directly from its operations.

(b) The Company is exposed to credit risk, liquidity risk and market risk. The Company's board of directors have overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors have established the risk management committee and asset liability committee, which are responsible for developing and monitoring the Company's risk management policies. The committee reports quarterly to the board of directors on its activities.

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

36 Financial risk management objectives and policies (continued)

(i) Credit risk

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

A. a) Loans

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit behavior of its customer base, which includes various factors such as variations to the household income levels driven by external factors such as natural calamities, pandemics, change in regulations, government policies, geo political tensions, etc.

The Company's exposure to credit risk for loans by type of counterparty is as follows. All these exposures are within India.

Particulars	Carrying Amount	
	As at March 31, 2026	**As at March 31, 2025**
Term loans	180,094.42	188,224.84
Less: Impairment loss allowance**	(5,062.80)	(10,483.03)
Total	**175,031.62**	**177,741.81**

An impairment analysis is performed at each reporting date based on the facts and circumstances existing on that date to identify expected losses on account of time value of money and credit risk. For the purposes of this analysis, the loan receivables are segmented into groups based on days past due and the type of risk exposures. Each segment is then assessed for impairment using the Expected Credit Loss (ECL) model as per the provisions of Ind AS 109 - financial instruments.

b) Staging:

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

The Company considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower crosses90 days past due on its contractual payments. For financial assets in stage 1, the impairment is calculated based on defaults that are expected in next twelve months, whereas for financial instrument in stage 2 and stage 3 the ECL the calculation considers default event for the life span of the instrument.

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

Days past dues status	Stage	Provisions
Current	Stage 1	12 months provision
1-30 Days	Stage 1	12 months provision
31-90 Days	Stage 2	Lifetime provision
90+ Days	Stage 3	Lifetime provision
Loan assets classified as NPA based on the end of the day days past due (DPD) in line with Reserve Bank of India (Non-Banking Financial Companies – Income Recognition, Asset Classification and Provisioning) Directions, 2025, as amended from time to time, till entire arrears of interest and principal are paid by the borrower.	Stage 3	Lifetime provision
Any loan account where there has been reported any fraud/ fraudulent activity, on part of the borrower, irrespective of DPD in that borrower account	Stage 3	Lifetime provision
All loan accounts that are death-marked and covered under a portfolio insurance policy shall be classified under Stage 3 if the insurance claim remains unsettled beyond 90 days from the date of freezing, irrespective of their existing stage or DPD status, and shall be considered for write-off.	Stage 3	Lifetime provision

c) Grouping

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

1) North – JLG (Pre Nov'24)
2) North – EL
3) North - Other Products
4) South – JLG(Pre Nov'24)
5) South – EL
6) South - Other Products

7) East – JLG(Pre Nov’24)
8) East – EL
9) East - Other Products
10)North - JLG (Post Oct’ 24)
11) South - JLG (Post Oct’24)
12) East - JLG (Post Oct’24)

36 Financial risk management objectives and policies (Continued)

(i) Credit risk (Continued)

d) Expected credit loss ("ECL"):

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

i. Probability of default ("PD")

ii. Loss given default ("LGD")

iii. Exposure at default ("EAD")

i) Probability of default:

Probability of default ("PD") is defined as the likelihood of default over a particular time horizon. The PD of an obligor is a fundamental risk parameter in credit risk analysis and depends on obligor specific as well as macroeconomic risk factors. The impact of macroeconomic criteria on the PD results in two different PD estimates, through-the-cycle ("TTC") and the point-in-time ("PIT") PD. A TTC PD estimate remains largely unaffected by the economic cycle, while a PIT PD estimate varies with the economic cycle. The base data for the PD framework considers a set of loan account numbers (having outstanding exposure) since Jan 2018 to Dec 2024. The observation period of 2018 to 2024 provides a sufficient history and covers various macroeconomic events and economic cycles.

ii) Loss given default

1) Loss Given Default ("LGD") is defined as the loss rate on the exposure, given the borrower has defaulted. LGD under Ind AS 109 for a facility is dependent upon the characteristics such as presence of collateral, recoveries, direct expenses, and degree of subordination.

2) The computation consists of following components, which are:

a) The recoveries (cash or noncash)

b) The costs (expenses made on the recoveries, The company has taken in this case to be 5% of the recovered amount)

c) the discount factor

3) The formula for the computation is as below:

$$LGD = \frac{\text{EAD + (Expenses on recovery) - (PV of recoveries)}}{\text{EAD}}$$

% Recovery rate = (discounted recovery amount + discounted estimated recovery) / (total POS)

% LGD = 1 – recovery rate

4)The Company has estimated the loss given default, as a weighted average of the LGD of all default cases including that of written off cases computed using the historical recovery experience.

For the purpose of determining Loss Given Default (LGD), the Company has considered all loans that defaulted between January 2018 and December 2023, with a two-year recovery window until December 2025. An account level LGD has then been computed by deducting the discounted recoveries and adding the expenses on the discounted recovery to the amount of default. This is scaled up to a weighted average LGD for the entire portfolio. Recovery from each loan account is discounted using its own applicable rate of interest.

iii) Exposure at default

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

ii) Exposure at default (EAD) is the extent of exposure on each account on the reporting date for Stage 1, 2 & 3 assets. EAD is computed as sum of Principal Outstanding &Accrued Interest (including any overdue interest). Exposure at default for Stage 1 and Stage 2 is adjusted using contracted cashflows to arrive at the Adjusted Exposure at default. No adjustments are made for exposure in Stage 3 as this exposure is already in default.

iii) The Company continuously monitors all assets subject to ECLs. In order to determine whether an instrument is subject to 12 months ECL or Lifetime ECL, the Company assesses whether there has been a significant increase in credit risk since initial recognition. The Company considers the credit risk to be directly proportional to the delinquency status i.e. days past due of the loan under consideration. No further adjustments are made in the PD.

e) ECL computation:

ECL at pool level was computed with the following method:

ECL for year = Adjusted EAD* PD * LGD

The calculation is based on provision matrix which considers actual historical data adjusted appropriately for the future expectations and probabilities. Proportion of expected credit loss provided for across the stage is summarized below:

Particulars	Provisions	As at March 31, 2026	As at March 31, 2025
Stage 1	12 month provision	1,264.20	1,398.93

Stage 2	Life time provision	150.70	304.03
Stage 3	Life time provision	3,647.90	8,780.08
Closing balance of expected credit loss provided for		**5,062.80**	**10,483.03**

36 Financial risk management objectives and policies (Continued)

(i) Credit risk (Continued)

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

Reconciliation of ECL balance is given below:

Particulars	As at March 31, 2026	As at March 31, 2025
ECL allowance - opening balance	**10,483.03**	**4,448.75**
Addition during the year (net of reversals)	7,759.38	7,752.78
Addition during the year on account of Bad Debts	1,308.07	4,148.21
Write offs during the year	(14,487.68)	(5,866.70)
Closing provision of ECL	**5,062.81**	**10,483.03**

Analysis of changes in the gross carrying amount of loans:

Particulars	As at March 31, 2026			
	Stage 1	Stage 2	Stage 3	Total
As at the beginning of the year	**167,308.55**	**5,356.53**	**15,559.76**	**188,224.84**
New assets originated *	127,999.13	770.74	631.07	129,400.94
Asset derecognised or repaid	(109,066.76)	(541.21)	1,073.38	(108,534.59)
Movement Between Stages				
Transfer from stage 1	(6,505.48)	1,746.73	4,758.75	-
Transfer from stage 2	484.89	(1,382.17)	897.28	-
Transfer from stage 3	129.57	7.03	(136.60)	-
Write offs	(8,372.90)	(4,345.12)	(16,278.75)	(28,996.77)
As at the end of the year	**171,977.00**	**1,612.53**	**6,504.89**	**180,094.42**

* New assets originated are those assets which have originated during the year

Particulars	As at March 31, 2025			
	Stage 1	Stage 2	Stage 3	Total
As at the beginning of the year	**176,619.62**	**1,834.29**	**5,528.55**	**183,982.46**
New assets originated *	129,850.44	2,333.58	2,429.84	134,613.86
Asset derecognised or repaid	(113,652.22)	(3,210.28)	(3,486.15)	(120,348.65)
Movement Between Stages				-
Transfer from stage 1	(22,787.76)	6,484.29	16,303.47	-
Transfer from stage 2	181.53	(580.59)	399.06	-
Transfer from stage 3	711.60	2.86	(714.46)	-
Write offs	(3,614.67)	(1,507.62)	(4,900.54)	(10,022.83)
As at the end of the year	**167,308.55**	**5,356.53**	**15,559.76**	**188,224.84**

* New assets originated are those assets which have originated during the year

Analysis of changes in the ECL of loans:

As at March 31, 2026

Particulars	Stage 1	Stage 2	Stage 3	Total
As at the beginning of the year	**1,398.93**	**304.03**	**8,780.08**	**10,483.03**
New assets originated *	937.59	111.87	703.90	1,753.36
Asset derecognised or repaid	4,213.73	205.71	783.74	5,203.18
Movement Between Stages				-
Transfer from stage 1	(71.88)	17.36	54.53	-
Transfer from stage 2	17.00	(63.33)	46.33	-
Transfer from stage 3	(921.58)	4.28	917.30	-
Write offs	(4,246.60)	(482.08)	(9,759.00)	(14,487.68)
NPA Interest Reversal	-	-	(949.43)	(949.43)
Impact on ECL on account of updates to the ECL model	(62.98)	52.87	3,070.46	3,060.35
As at the end of the year	**1,264.20**	**150.70**	**3,647.90**	**5,062.80**

As at March 31, 2025

Particulars	Stage 1	Stage 2	Stage 3	Total
As at the beginning of the year	**1,000.53**	**208.16**	**3,240.06**	**4,448.75**
New assets originated *	1,137.69	166.54	696.49	2,000.72
Asset derecognised or repaid	995.74	811.58	264.81	2,072.13
Movement Between Stages				
Transfer from stage 1	(165.30)	38.46	126.84	-
Transfer from stage 2	136.07	(151.48)	15.41	-
Transfer from stage 3	388.93	1.61	(390.54)	-
Write offs	(2,129.08)	(888.80)	(2,848.83)	(5,866.70)

Impact on ECL on account of updates to the ECL model	34.35	117.95	7,676	7,828.13
As at the end of the year	**1,398.93**	**304.03**	**8,780.08**	**10,483.03**

36 Financial risk management objectives and policies (Continued)

(i) Credit risk (Continued)

f) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure is the total of the carrying amount of the aforesaid balances.

g) Analysis of credit concentration risks

The Company's concentrations of risk are managed by counterparty and geography. The maximum credit exposure to any individual client or counterparty as of March 31, 2026 was INR 13.55 Lakhs (March 31, 2025: INR 10 Lakhs)

The following table shows the risk concentration of loan portfolio by geography.

Geography	As at March 31, 2026	As at March 31, 2025
Tamil Nadu	81,405.71	86,779.36
Odisha	13,558.59	14,243.76
Karnataka	16,237.89	16,184.87
Chhattisgarh	7,303.81	7,211.35
Uttarakhand	6,625.88	4,389.40
Jharkhand	13,500.83	12,649.97
Uttar Pradesh	7,545.28	10,699.27
Haryana	4,835.20	5,122.49
Bihar	22,231.08	24,113.06
Punjab	4,481.48	5,442.95
Andhra Pradesh	2,368.67	1,388.36
Total	**180,094.42**	**188,224.84**

h) Change in accounting estimate

Company has a policy of reviewing ECL model semi-annually. During the current year, the company has made a annual review and made such refinements to the model and assumptions that in its opinion are essential.

B. Cash and cash equivalent and Bank deposits

The Company held cash and cash equivalents with credit worthy banks and financial institutions as at the reporting dates which has been measured on the 12-month expected loss basis. The credit worthiness of such banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good with low credit risk.

C. Other financial assets and Receivables

This balance is primarily constituted by security deposits and advance to employees. The Company does not expect any losses from non-performance by these counter-parties.

(ii) Liquidity risk

a. Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company is bound to comply with the Asset Liability Management guidelines issued by Reserve Bank of India. The company has Asset Liability Management policy approved by the board and has constituted Asset Liability Committee to oversee the liquidity risk management function of the company. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

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

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

d. Capital adequacy ratio of the Company, as on March 31, 2026 is 24.25% (YE March 31, 2025: 23.92%) against regulatory norms of 15%. Tier I capital is 17.78% (YE March 31, 2025: 17.47%) as against requirement of 10%. Tier II capital is 6.47% (YE March 31, 2025: 6.45%) which may increase from time to time depending on the requirement and also as a source of structural liquidity to strengthen asset liability maturity pattern.

36 Financial risk management objectives and policies (Continued)

(ii) Liquidity risk (Continued)

Maturity profile of non-derivative financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted contractual cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Particulars	Carrying amount	Less than 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years
Non-derivative financial liabilities					
As at March 31, 2026					
Trade Payables	481.25	481.25	-	-	-
Debt Securities	58,550.10	27,306.00	24,473.02	6,771.08	-
Borrowings (Other than Debt Securities)	104,565.44	45,666.21	58,851.53	47.70	-
Subordinated Liabilities	19,466.80	-	1,366.63	11,783.42	6,316.75
Other financial liabilities	4,973.22	4,114.90	858.32	-	-
Total	**188,036.81**	**77,568.36**	**85,549.50**	**18,602.20**	**6,316.75**
As at March 31, 2025					
Financial Liabilities					
Trade payables	422.98	422.98	-	-	-
Debt Securities	58,469.24	14,953.03	43,516.21	-	-
Borrowings (Other than Debt Securities)	102,755.21	57,082.31	39,806.27	5,866.63	-
Subordinated Liabilities	13,716.78	1,950.97	-	8,316.22	3,449.59
Other financial liabilities	7,303.60	6,220.48	1,083.11		
Total	**182,667.81**	**80,629.78**	**84,405.59**	**14,182.84**	**3,449.59**

Maturity profile of derivative financial instruments

The following table details the Company's liquidity analysis for its derivative financial instruments. The table has been drawn up based on the undiscounted gross inflows and outflows on those derivatives that require gross settlement. There is no derivative instruments that is settled on a net basis.

Particulars	Carrying amount	Less than 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years
Derivative financial instruments					
As at March 31, 2026					
Gross settled:					
Cross Currency Interest Rate swaps					
- Receivable / (Payable)	7,189.77	7,189.77	-	-	-
Cross currency swaps					
- Receivable / (Payable)	666.94	666.94	-	-	-
Total	**7,856.71**	**7,856.71**	**-**	**-**	**-**
As at March 31, 2025					
Gross settled:					
Cross Currency Interest Rate swaps					
- Receivable / (Payable)	691.26	691.26	-	-	-
Cross currency swaps					
- Receivable / (Payable)	(16.51)	(16.51)	-	-	-
Total	**674.75**	**674.75**	**-**	**-**	**-**

(iii) Market risk

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

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's investment in bank deposits and variable interest rate lending. Whenever there is a change in borrowing interest rate for the Company, necessary change is reflected in the lending interest rates over the timeline in order to mitigate the risk of change in interest rates of borrowings. The Company reviews the interest rate model on quarterly basis.

Sensitivity analysis - Increase/ decrease of 100 basis points

Particulars	As at March 31, 2026		As at March 31, 2025	
	Increase	Decrease	Increase	Decrease

Debt Securities	(585.10)	585.10	(497.31)	497.31
Borrowings	(1,036.60)	1,036.60	(1,166.68)	1,166.68
Bank Deposits	157.27	(157.27)	197.50	(197.50)
Subordinated Liabilities	(165.92)	165.92	(107.51)	107.51

(b) foreign currency risk

Refer Note 47A. Derivatives

37 Commitments

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Estimated amount of contracts remaining to be executed on capital account (net of capital advances)	-	-

38 Contingent liabilities

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Claims against the Company not acknowledged as debt		
a. Service tax related matters (net of provision)	44.86	44.86

b. The company has introduced a car leasing policy for employees. This policy enables employees to hire a car (a new car of their choice) based on their eligibility. For this purpose, the company has entered into a lease agreement with Sundaram Finance Limited ("SFL") and Orix Leasing & Finance Services India Limited ("OLFSIL"). According to the agreements, the company is not the owner of the asset but holds the car as a bailee. However, the car is registered under the company's name. In case the employee defaults on the lease rent, SFL or OLFSIL shall seize and sell the car to adjust against the same, and the company shall compensate for any losses incurred due to default payment of lease rent.

39 Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the Micro, Small and Medium Enterprise Development Act, 2006 (‘the Act’). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2026 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date.

	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a.	The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting period		
	Principal	-	5.55
	Interest	-	-
b.	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
c.	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 Micro, Small and Medium Enterprises Development Act, 2006;	-	-
d.	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
e.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Note: The management has identified micro and small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) on the basis of information made available by the supplier or vendors of the Company.

40 Employee benefits

Defined contribution plans

The Company makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme and employee state insurance scheme, which are defined contribution plans. The Company's contribution is recognized as an expenses in the statement of profit and loss during the period in which the employee renders the related service. The amount recognised as an expense towards contribution to provident fund and employee state insurance for the year aggregated to Rs. 1048.82 lakhs (March 31, 2025: Rs. 753.86 lakhs).

40 Employee benefits (Continued)

The Company's gratuity benefit scheme is a defined plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their services in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past services and the fair value of any plan assets are deducted. The calculation of the company's obligation under the plan is performed annually by a qualified actuary using the projected unit credit method.

I Details of actuarial valuation of gratuity pursuant to the Ind AS 19

	For the year ended March 31, 2026	For the year ended March 31, 2025
A. Change in present value of obligations		
Present value of obligations at the beginning of the year	530.43	586.08
Benefits paid	(106.01)	(129.82)
Current service cost	158.44	210.97
Past service cost	-	-
Interest cost	29.01	39.50
Actuarial (gains) losses recognised in other comprehensive income	19.72	(176.31)
Present value of obligations at the end of the year	**631.59**	**530.43**
B. Change in plan assets		
Fair value of plan assets at the beginning of the year	515.30	417.86
Adjustment to Opening Fair Value of Plan Asset	-	24.97
Contributions paid into the plan	15.13	168.22
Benefits paid	(106.01)	(129.82)
Interest Income	30.16	32.34
Return on plan assets recognised in other comprehensive income	(30.16)	1.72
Fair value of plan assets at the end of the year	**424.42**	**515.30**
Net defined benefit liability	**207.17**	**15.13**
C. Expense/ (income) recognised in the statement of profit and loss		
Current service cost	158.44	210.97
Past service cost	-	-
Net interest (income)/expense	(1.16)	7.16
Total	**157.28**	**218.13**
Remeasurements recognised in other comprehensive income		
Actuarial (Gain)/loss on defined benefit obligation.	49.89	(178.03)

D. Plan assets

The Plan is fully funded by the Company. The funding requirements are based on the gratuity fund's actuarial measurement framework set out in the funding policies of the plan. The funding is based on a separate actuarial valuation for funding purposes for which the assumptions may differ from the assumptions set out below. Employees do not contribute to the plan. This plan is funded with SBI.

E. Defined benefit obligation

	For the year ended March 31, 2026	For the year ended March 31, 2025
Discount rate	5.77%	6.42%
Salary escalation	8.84%	8.84%
Expected average remaining service	0.55	0.48
Attrition rate (Past service - PS)	PS : 0 to 5 : 70.23% PS : 5 to 40 : 38.37%	PS : 0 to 5 : 84.44% PS : 5 to 40 : 24.06%
Mortality rate	IALM (2012-14) Ult.	IALM (2012-14) Ult.

Notes:

a) The estimates in future salary increases, considered in actuarial valuation, takes account of inflation, seniority promotion and other relevant factors, such as supply and demand in the employee market.

b) Discount rate is based on the prevailing market yields of Indian Government Bonds as at the balance sheet date for estimated term of obligation.

F. Sensitivity analysis

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

	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Increase	**Decrease**	**Increase**	**Decrease**
Discount rate (1% movement)	(619.17)	644.63	(514.09)	548.03
Salary escalation rate (1% movement)	640.75	(622.69)	544.29	(517.25)

(All amounts are in Indian Rupees in Lakhs, except share data and as stated)

42B Disclosures pursuant to relevant paragraphs under the Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025, read with Reserve Bank of India (Non-Banking Financial Companies - Credit Risk Management) Directions, as amended from time to time.

Related Party Disclosures

(a) Transactions during the year

Items	Related Party																	
	Parent (as per Ownership or Control)		Subsidiaries		Associates/Joint ventures		Key Management Personnel		Directors		Relatives of Key managerial Personnel		Relatives of Directors		Others		Total	
	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2026	For the year ended March 31, 2025
Borrowings																		
- Received	-	-	-	-	-	-	-	-	-	-	-	10.00	-	-	-	865.00	-	875.00
- Repaid	-	137.29	-	-	-	-	-	-	-	-	40.00	-	-	25.00	-	2,467.45	40.00	2,629.73
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of Fixed/Other Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of Fixed/Other Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Paid	-	12.38	-	-	-	-	-	-	-	-	8.58	7.26	-	6.07	4.60	75.58	13.18	101.29
Interest received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other's											-	-	-	-				
-Sitting Fee	-	-	-	-	-	-	223.52	237.76	42.00	48.00	-	-	-	-	-	-	265.52	285.76
-Renumeration	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-Proffessional &Consultansy fee	-	2.13	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.13
-Customization Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3.38	-	3.38
-Technology Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	303.44	296.44	303.44	296.44
-Security Deposit Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	125.36	-	125.36	-
-Staff Welfare Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7.99	4.17	7.99	4.17
-Other Expenses	-	-	-	50.37	-	-	-	-	-	-	-	-	-	-	-	8.43	-	58.80
-Rent	-	-	-	-	-	-	-	-	-	-	-	-	-	-	223.16	212.69	223.16	212.69
- DPN received and interest accrued	-	-	75.35	-	-	-	-	-	-	-	-	-	-	-	-	-	75.35	-
- Contribution paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15.13	-	15.13	-
- Contribution withdrawn	-	-	-	-	-	-	-	-	-	-	-	-	-	-	106.01	-	106.01	-
- Sale of intangible asset	-	-	72.16	-	-	-	-	-	-	-	-	-	-	-	-	-	72.16	-
-Commission Expense	-	-	86.57	-	-	-	-	-	-	-	-	-	-	-	-	-	86.57	-
Total	**-**	**151.79**	**234.09**	**50.37**	**-**	**-**	**223.52**	**237.76**	**42.00**	**48.00**	**48.58**	**17.26**	**-**	**31.07**	**785.69**	**3,933.13**	**1,333.87**	**4,469.38**

42B Disclosures pursuant to relevant paragraphs under the Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025, read with Reserve Bank of India (Non-Banking Financial Companies - Credit Risk Management) Directions, as amended from time to time. (continued)

(b) Outstanding as at the year end

Items	Related Party																	
	Parent (as per Ownership or Control)		Subsidiaries		Associates/Joint ventures		Key Management Personnel		Directors		Relatives of Key managerial Personnel		Relatives of Directors		Others		Total	
	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2026	For the year ended March 31, 2025
Borrowings	-	-	-	-	-	-	-	-	-	-	65.00	75.00	-	-	-	-	65.00	75.00
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	125.36	-	125.36	-
Placement of Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	230.31	81.51	230.31	81.51
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.27	-	100.27	-

(c) Maximum outstanding during the year

Items	Related Party																	
	Parent (as per Ownership or Control)		Subsidiaries		Associates/Joint ventures		Key Management Personnel		Directors		Relatives of Key managerial Personnel		Relatives of Directors		Others		Total	
	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2026	For the year ended March 31, 2025
Borrowings	-	-	-	-	-	-	-	-	-	-	65.00	75.00	-	-	-	-	65.00	75.00
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	125.36	-	125.36	-
Placement of Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	230.31	81.51	230.31	81.51
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.27	-	100.27	-

(All amounts are in Indian Rupees in Lakhs, except share data and as stated)

43 Segment reporting

Operating segments

The Company's operations predominantly relate to arranging or facilitating or providing finance either in the form of loans. The information relating to this operating segment is reviewed by the Chief Operating Decision Maker to make decisions about resources to be allocated and to assess its performance. The CODM considers the entire business of the Company on a holistic basis to make operating decisions and thus there are no segregated operating segments. The CODM of the Company reviews the operating results of the Company as a whole and therefore not more than one reportable segment is required to be disclosed by the Company as envisaged by Ind AS 108 Operating Segments.

The company does not have any separate geographic segment other than India. As such there are no separate reportable segments as per IND AS 108 Operating Segments.

44 Leases

In the cases where assets are taken on operating lease (as lessee)

As a lessee, the Company's lease asset class primarily consist of buildings or part thereof taken on lease for office premises used for operating activities. In accordance with the requirements under Ind AS 116, Leases, the Company has recognized the lease liability at the present value of the future lease payments discounted at the incremental borrowing rate, at the inception of respective lease contracts and Right of use (ROU) asset is equal to lease liability subject to certain practical expedients as allowed by the standard.

The following is the summary of practical expedients applied as allowed under Ind AS 116.

a) Applied a single discount rate to a portfolio of leases with reasonably similar characteristics;

b) Availed the exemption of not to recognize ROU assets and liabilities for leases of low value assets and leases with less than 12 months (short-term lease) of lease term;

c) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application as at April 1, 2019 and thereafter;

d) Used hindsight to determine the lease term of contracts.

i) Total lease liabilities are analysed as follows:

Lease liabilities	**As at March 31, 2026**	**As at March 31, 2025**
Current	92.98	310.45
Non-current	858.32	1,083.11
Total	**951.30**	**1,393.57**

ii) Amounts recognised in the statement of profit and loss

Particulars	**For the year ended March 31, 2026**	**For the year ended March 31, 2025**
Depreciation charge of right-of-use assets		
Office Premises	224.88	288.96
Total	**224.88**	**288.96**
Expense relating to variable lease payments		
Expense relating to short-term leases (included in other expenses) - Refer note 31	433.51	157.35
Interest on lease liabilities (included in finance costs) - Refer note 26	167.31	193.19

iii) Total cash flows for leases and commitments for the short term leases

Particulars	**For the year ended March 31, 2026**	**For the year ended March 31, 2025**
Total cash outflow for leases	939.53	649.50
Total commitments for short-term leases	-	-

iv) **The Company had not committed to leases which had not commenced and hence the total future cash outflows for leases that had not yet commence -** Nil

v) **The following are the undiscounted contractual cash flows of lease liabilities. The payment profile has been based on management's forecasts and could in reality be different from expectations:**

Particulars	**As at March 31, 2026**	**As at March 31, 2025**
Less than 1 year	457.74	493.98
Between 1 and 2 years	292.36	433.21
Between 2 and 5 years	259.87	747.18
More than 5 years	114.64	325.40
Total	**1,124.61**	**1,999.77**

vi) Movement in lease liabilities during the year

Particulars	**As at March 31, 2026**	**As at March 31, 2025**
Balance as at beginning of the year	1,393.57	1,260.89
Additions during the year	168.58	431.64
Finance cost incurred during the year	167.31	193.19
Termination of lease and adjustment during the year	(272.14)	-
Payment of lease liabilities	(506.02)	(492.15)
Balance at the year end	**951.30**	**1,393.57**

Note: Refer Note 10B for movement in right of use of assets.

45 Disclosure under Master Direction - Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025, as amended from time to time.

As at March 31, 2026

(i) Loans against gold and silver collateral

Particulars	Loan outstanding		Average ticket size (Rs. Crores)	Average LTV ratio	Gross NPA (%)
	Rs. in Cr	As % of Total Loans			
1. Opening balance of the FY [(a)+(b)]	2.11	100%	0.00	61%	4%
(a) Consumption loans	0.90	42%	0.00	59%	7%
bullet repayments out of (a)	0.90	42%	0.00	59%	7%
(b) Income generating loans	1.22	58%	0.00	62%	2%
2. New loans sanctioned and disbursed during the FY [(c)+(d)]	4.89	100%	0.01	67%	NA
(c) Consumption loans	1.63	33%	0.01	67%	NA
bullet repayments out of (c)	1.59	33%	0.01	67%	NA
(d) Income generating loans	3.26	67%	0.01	67%	NA
3. Renewals sanctioned and disbursed during the FY	10.37	100%	0.00	66%	NA
4. Top-up loans sanctioned and disbursed during the FY	-	-	-	-	NA
5. Loans repaid during the FY [(e)+(f)]	2.41	100%	0.00	NA	NA
(e) Consumption loans	1.03	42%	0.00	NA	NA
bullet repayments out of (e)	1.02	43%	0.00	NA	NA
(f) Income generating loans	1.39	58%	0.00	NA	NA
6. Non-Performing Loans recovered during the FY [(g) + (h)]	0.09	100%	0.00	NA	NA
(g) Consumption loans	0.06	73%	0.00	NA	NA
bullet repayments out of (g)	0.06	73%	0.00	NA	NA
(h) Income generating loans	0.02	27%	0.00	NA	NA
7. Loans written off during the FY [(i) + (j)]	-	-	-	NA	NA
(i) Consumption loans	-	-	-	NA	NA
bullet repayments out of (i)	-	-	-	NA	NA
(j) Income generating loans	-	-	-	NA	NA
8. Closing balance at the end of FY [(k) + (l)]	11.87	100%	0.00	65%	0%
(k) Consumption loans	4.11	35%	0.00	63%	1%
bullet repayments out of (k)	4.06	34%	0.00	63%	1%
(l) Income generating loans	7.76	65%	0.00	66%	0%

(ii) Details of gold and silver collateral and auctions

Particulars	For the year ended March 31, 2026
(a) Unclaimed gold or silver collateral at the end of the financial year (in grams)	Nil
(b) Number of loan accounts in which auctions were conducted	Nil
(c) Total outstanding in loan accounts mentioned in (b)	NA
(d) Gold or silver collateral acquired during the FY due to default of loans (in grams)	Nil
(e) Gold or silver collateral auctioned during the FY (in grams)	Nil
(f) Recovery made through auctions during the FY (in ₹ crore)	NA
(g) Recovery percentage:	
(1) as % of value of gold or silver collateral	NA
(2) as % of outstanding loan	NA

As at March 31, 2025

(i) Loans against gold and silver collateral

Particulars	Loan outstanding		Average ticket size (Rs. Crores)	Average LTV ratio	Gross NPA (%)
	Rs. in Cr	As % of Total Loans			
1. Opening balance of the FY [(a)+(b)]	4.60	100%	0.00	67%	2%
(a) Consumption loans	2.17	47%	0.00	67%	1%
bullet repayments out of (a)	2.17	47%	0.00	67%	1%
(b) Income generating loans	2.43	53%	0.00	67%	1%
2. New loans sanctioned and disbursed during the FY [(c)+(d)]	4.89	100%	0.00	63%	NA
(c) Consumption loans	1.63	31%	0.00	64%	NA
bullet repayments out of (c)	1.59	31%	0.00	64%	NA
(d) Income generating loans	3.26	69%	0.00	63%	NA
3. Renewals sanctioned and disbursed during the FY	1.25	100%	0.00	54%	NA
4. Top-up loans sanctioned and disbursed during the FY	-	-	-	-	NA
5. Loans repaid during the FY [(e)+(f)]	6.32	100%	0.00	NA	NA
(e) Consumption loans	2.89	46%	0.00	NA	NA
bullet repayments out of (e)	2.89	46%	0.00	NA	NA
(f) Income generating loans	3.43	54%	0.00	NA	NA
6. Non-Performing Loans recovered during the FY [(g) + (h)]	0.02	100%	0.00	NA	NA
(g) Consumption loans	0.01	43%	0.00	NA	NA
bullet repayments out of (g)	0.01	43%	0.00	NA	NA
(h) Income generating loans	0.01	57%	0.00	NA	NA
7. Loans written off during the FY [(i) + (j)]	-	-	-	NA	NA
(i) Consumption loans	-	-	-	NA	NA
bullet repayments out of (i)	-	-	-	NA	NA
(j) Income generating loans	-	-	-	NA	NA
8. Closing balance at the end of FY [(k) + (l)]	2.11	100%	0.00	61%	4%
(k) Consumption loans	0.90	42%	0.00	59%	7%
bullet repayments out of (k)	0.90	42%	0.00	59%	7%
(l) Income generating loans	1.22	58%	0.00	62%	2%

(ii) Details of gold and silver collateral and auctions

Particulars	For the year ended March 31, 2025
(a) Unclaimed gold or silver collateral at the end of the financial year (in grams)	Nil
(b) Number of loan accounts in which auctions were conducted	Nil
(c) Total outstanding in loan accounts mentioned in (b)	NA
(d) Gold or silver collateral acquired during the FY due to default of loans (in grams)	Nil
(e) Gold or silver collateral auctioned during the FY (in grams)	Nil
(f) Recovery made through auctions during the FY (in ₹ crore)	NA
(g) Recovery percentage:	
(1) as % of value of gold or silver collateral	NA
(2) as % of outstanding loan	NA

(All amounts are in Indian Rupees in Lakhs, except share data and as stated)

46 Disclosure under Master Direction - Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025, as amended from time to time.

Capital adequacy ratio

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the local banking supervisor, Reserve Bank of India (RBI). The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI.

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

Capital management

The primary objectives of the Company's capital management policy is 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. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

The below disclosures under Master Direction – Reserve Bank of India (Non-Banking Financial Company– Scale Based Regulation) Directions, 2023, as updated, are in accordance with Indian Accounting Standards (IND AS).

i Net Debt to Equity Ratio

Consistent with the others in industry, the company monitors the capital on the basis of gearing ratio (Net debt divided by equity).

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Equity (Including Compulsorily convertible cumulative preference shares)	41,404.29	42,414.96
Debt (Includes debt securities, borrowings and Subordinated liabilities)	179,954.36	174,941.23
Cash and cash equivalents (excluding Bank balance other than cash and cash equivalents)	15,120.83	27,169.67
Bank balance which are lien marked for the purpose of borrowings	7,981.93	8,135.65
Net Debt	**156,851.60**	**139,635.90**
Net Debt to Equity Ratio	**3.79**	**3.29**

ii Regulatory capital

The company has to mandatorily comply with the capital adequacy requirements stipulated by Reserve Bank of India from time to time. Capital adequacy ratio or capital-to-risk weighted assets ratio (CRAR) is computed by dividing company's Tier I and Tier II capital by risk weighted assets.

Tier I capital comprised of share capital, securities premium, retained earnings including current year profit and Tier II capital comprises of provision on standard assets. Tier 1 and Tier 2 has been reported on the basis of Ind AS financial information. Risk weighted assets represents the weighted sum of company's credit exposures based on their risk.

Particulars	Carrying amount	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Tier I Capital	28,277.36	29,159.21
Tier II Capital	10,282.48	10,761.46
Total Capital	**38,559.84**	**39,920.67**
Amount of subordinated debt raised as Tier-II capital	4,250.00	6,165.00
Risk weighted assets	159,010.83	166,896.17
Tier I Capital Ratio (%)	17.78%	17.47%
Tier II Capital Ratio (%)	6.47%	6.45%
Capital Adequacy Ratio (%)	24.25%	23.92%

47 Investments

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Value of investment		
Gross value of investments		
- In India	13,122.97	1,963.02
- Outside India	-	-
Provisions for investments		
- In India	(1,740.43)	-
- Outside India	-	-
Net value investments		
- In India	11,382.54	1,963.02
- Outside India	-	-
Movement of provisions held towards depreciation on investments		
Opening balance	**-**	**-**
Add: Provisions made during the year	1,740.43	-
Less: Write off/ write back/ reversal of provision during the year	-	-
Closing balance	**1,740.43**	**-**

47A Derivatives

a) Forward Rate Agreement (FRA) / Interest Rate Swap (IRS)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
The notional principal of swap agreements	33,363.64	36,780.31
Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	-
Collateral required by the Company upon entering into swaps	-	-
Concentration of credit risk arising from the swaps	-	-
The fair value of the swap book (net) (Asset / (Liability))	7,856.71	674.75

b) Exchange Traded Interest Rate (IR) Derivative

The Company has not entered into any exchange traded derivative. The Company is not carrying out any activity of providing Derivative cover to third parties.

c) Disclosures on Risk Exposure in Derivatives

Qualitative Disclosures:

i) The Company undertakes the derivatives transaction to prudently hedge the risk in context of a particular borrowing or to diversify sources of borrowing and to maintain fixed and floating borrowing mix. The Company does not indulge into any derivative trading transactions. The Company reviews, the proposed transaction and outline any considerations associated with the transaction, including identification of the benefits and potential risks (worst case scenarios); an independent analysis of potential savings from the proposed transaction. The Company evaluates all the risks inherent in the transaction viz., counter party risk, Market Risk, Operational Risk, basis risk etc.

ii) Credit risk is controlled by restricting the counterparties that the Company deals with, to those who either have banking relationship with the Company or are internationally renowned or can provide sufficient information. Market/Price risk arising from the fluctuations of interest rates and foreign exchange rates or from other factors shall be closely monitored and controlled. Normally transaction entered for hedging, will run till its life, irrespective of profit or loss. However in case of exceptions it has to be un-winded only with prior approval of MD/ CFO/ Treasurer. Liquidity risk is controlled by restricting counterparties to those who have adequate facility, sufficient information, and sizable trading capacity and capability to enter into transactions in any markets around the world.

iii) The respective functions of trading, confirmation and settlement should be performed by different personnel. The front office and back-office role is well defined and segregated. All the derivatives transactions is quarterly monitored and reviewed by CFO and Treasurer. All the derivative transactions have to be reported to the board of directors on every quarterly board meetings including their financial positions.

Quantitative Disclosures: - Currency derivative

Foreign currency non-repatriate loans availed:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
i) Derivatives (Notional Principal Amount)		
- For hedging	33,363.64	36,780.31
ii) Marked to Market Positions		
a) Asset (+) Estimated gain	7,856.71	674.75
b) Liability (-) Estimated loss	-	-
iii) Credit Exposure	-	-
iv) Unhedged Exposures	-	-

(All amounts are in Indian Rupees in Lakhs, except share data and as stated)

48 Disclosure under Master Direction - Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025, as amended from time to time.

S.N Particulars	As at March 31, 2026		As at March 31, 2025	
	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
Liabilities side:				
1. Loans and Advances availed by the NBFC inclusive of interest accrued thereon but not				
(a) Debentures				
- Secured	57,627.41	-	54,854.90	-
- Unsecured	1,540.10	-	4,028.08	-
(other than falling within the meaning of public deposits)				
(b) Deferred Credits	-	-	-	-
(c) Term Loans	68,843.91	-	83,074.37	
(d) Inter-Corporate Loans and Borrowings	-	-	-	-
(e) Commercial Paper	-	-	-	-
(f) Public Deposits	-	-		-
(g) Subordinated Liabilities	17,232.35		13,871.89	
(h) Other Loans	39,408.25	-	20,253.17	-
Note : Above balances are gross of unamortised processing fee.				
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:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
3. Break-up of Loans and Advances * including Bills Receivables [other than those included in (4) below]:		
(a) Secured	2,299.36	902.94
(b) Unsecured	143,536.22	130,724.23
** Excludes impairment loss allowance*		
4. Break up of Leased Assets and Stock on Hire and Other Assets counting towards AFC activities		
(i) Lease Assets including Lease Rentals Accrued and Due:		
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	-	-

48 Disclosure under Master Direction - Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025, as amended from time to time. (Continued)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
5. Break-up of Investments (net of provision for diminution in value):		
Current Investments:		
I. Quoted:		
i. Shares		
a) Equity	-	-
b) Preference	-	-
ii. Debentures and bonds	-	-
iii. Units of Mutual Funds	-	88.30
iv. Government Securities	-	-
v. Others		
a) commercial paper	-	-
II. Unquoted:		
i. Shares		
a) Equity	-	-
b) Preference	-	-
ii. Debentures and Bonds	-	-
iii. Units of Mutual Funds	-	-
iv. Government Securities	-	-
v. Others		
a) pass through certificates	-	1,874.72
b) units of alternative investment fund	-	-
Long Term Investments:		
I. Quoted:		
i. Shares		
a) Equity	-	-
b) Preference	-	-
ii. Debentures and Bonds	-	-
iii. Units of Mutual Funds	-	-
iv. Government Securities	-	-
v. Others (please specify)	-	-
II. Unquoted:		
i. Shares		-
a) Equity	100.27	-
b) Preference	-	-
ii. Debentures and Bonds	-	-
iii. Units of Mutual Funds	-	-
iv. Government Securities	-	-
v. Others		
a) pass through certificates	-	-
b) security receipts of Asset Reconstruction Company	11,282.27	-
c) share warrants	-	-

6. Borrower Group-wise Classification of Assets Financed as in (3) and (4) above:

Category	As at March 31, 2026 (Net of provisions)		As at March 31, 2025 (Net of provisions)	
	Secured	Unsecured	Secured	Unsecured
1. Related parties				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	-	-
2. Other than related parties	2,299.36	172,732.26	902.94	176,838.87
	2,299.36	**172,732.26**	**902.94**	**176,838.87**

48 Disclosure under Master Direction - Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025, as amended from time to time. (Continued)

7. Investor Group-wise Classification of all Investments (Current and Long Term) in Shares and Securities (both Quoted and Unquoted)

Category	Market Value / Break up Value or Fair Value or Net Asset Value as on March 31, 2026	Book Value as on March 31, 2026 (Net of provisions)	Market Value / Break up Value or Fair Value or Net Asset Value as on March 31, 2025	Book Value as on March 31, 2025 (Net of provisions)
1. Related Parties				
(a) Subsidiaries	100.27	100.27	-	-
(b) Companies in group	-	-	-	-
(c) Other related parties	-	-	-	-
2. Other than related parties	11,282.27	11,282.27	1,963.02	1,963.02
	11,382.54	**11,382.54**	**1,963.02**	**1,963.02**

8 Other Information

Particulars	As at March 31, 2026		As at March 31, 2025	
	Related Parties	Other than Related Parties	Related Parties	Other than Related Parties
(i) Gross Non-Performing Assets (stage 3 assets)	-	6,504.90	-	15,559.76
(ii) Net Non-Performing Assets (stage 3 assets)	-	2,857.00	-	6,779.69
(iii) Assets Acquired in Satisfaction of Debt	-	-	-	-

Also refer Note 36.

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Dvara Kshetriya Gramin Financial Services Private Limited
Notes to the standalone financial statements for the the year ended March 31, 2026
(All amounts are in Indian Rupees in Lakhs, except share data and as stated)

49A Asset Liability Management

Maturity Pattern of certain items of Assets and Liabilities As at March 31, 2026

Particulars	1 day to 7 days	8 day to 14 days	15 day to 30/31 days	Over 1 month to 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities											
Borrowings from banks and others	2,101.12	282.53	5,273.50	4,097.85	9,008.87	16,228.27	24,924.53	58,851.53	47.70	0.00	120,815.90
Market borrowings (debt securities)	154.18	69.92	14.70	474.01	625.00	747.95	8,436.07	24,473.02	6,771.08	0.00	41,765.93
Subordinated Liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,366.63	11,783.42	4,222.48	17,372.53
Total	**2,255.30**	**352.45**	**5,288.20**	**4,571.86**	**9,633.87**	**16,976.22**	**33,360.60**	**84,691.18**	**18,602.20**	**4,222.48**	**179,954.36**
Assets											
Advances	8,046.27	4,652.31	8,159.42	8,328.25	8,113.55	23,094.46	39,559.98	74,161.74	881.12	34.52	175,031.62
Investments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11,382.54	0.00	0.00	11,382.54
Total	**8,046.27**	**4,652.31**	**8,159.42**	**8,328.25**	**8,113.55**	**23,094.46**	**39,559.98**	**85,544.28**	**881.12**	**34.52**	**186,414.16**

Maturity Pattern of certain items of Assets and Liabilities As at March 31, 2025

Particulars	1 day to 7 days	8 day to 14 days	15 day to 30/31 days	Over 1 month to 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities											
Borrowings from banks and others	4,644.72	652.36	3,385.12	3,518.34	5,184.66	16,125.50	24,146.99	39,806.27	5,866.63	-	103,330.59
Market borrowings (debt securities)	496.43	540.00	188.03	1,446.16	2,491.06	3,233.71	6,968.73	43,516.21	-	-	58,880.33
Subordinated Liabilities	1,801.58	-	4.86	-	168.81	130.84	-	-	8,316.22	3,449.59	13,871.89
Total	**6,942.72**	**1,192.36**	**3,578.00**	**4,964.50**	**7,844.53**	**19,490.05**	**31,115.72**	**83,322.48**	**14,182.84**	**3,449.59**	**176,082.81**
Assets											
Advances	5,954.27	7,231.79	1,640.36	9,635.79	9,550.15	28,343.38	51,379.16	73,638.72	747.07	58.32	188,179.00
Investments	-	-	1,874.72	-	-	-	88.30	-	-	-	1,963.02
Total	**5,954.27**	**7,231.79**	**3,515.08**	**9,635.79**	**9,550.15**	**28,343.38**	**51,467.46**	**73,638.72**	**747.07**	**58.32**	**190,142.02**

49B Public disclosure on Liquidity risk management

i. Funding concentration based on significant Counterparty *(both deposits and borrowings)

As at March 31, 2026

Number of significant counterparties	Amount (₹ in Crore)	Total Borrowings (%)	Total Liabilities (%)
17	1,637.95	91.02%	86.58%

As at March 31, 2025

Number of significant counterparties	Amount (₹ in Crore)	Total Borrowings (%)	Total Liabilities (%)
19	1,578.04	90.20%	85.95%

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

Not applicable. The Company being a Systemically Important Non-Deposit taking Non-Banking Financial Company registered with Reserve Bank of India does not accept public deposits.

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

As at March 31, 2026

Amount (Rs in Crore)	Total Borrowings (%)
1,434.40	79.71%

As at March 31, 2025

Amount (Rs in Crore)	Total Borrowings (%)
1,275.83	72.93%

iv. Funding concentration based on significant instrument / product*

As at March 31, 2026

Name of the instrument/ product	Amount (₹ in Cr)	Total liabilities(%)
Secured debentures from others	398.84	21.08%
Secured Bonds from other parties	170.61	9.02%
Term loan from banks	160.40	8.48%
Term loan from others	167.65	8.86%
Securitization borrowings	361.96	19.13%
External commercial borrowings	355.65	18.80%
Debentures	59.07	3.12%
Subordinated term loan from others	109.32	5.78%

As at March 31, 2025

Name of the instrument/ product	Amount (₹ in Cr)	Total liabilities(%)
Secured debentures from others	384.69	20.95%
Secured Bonds from other parties	159.05	8.66%
Unsecured debentures from others	40.20	2.19%
Term loan from banks	296.73	16.16%
Term loan from others	160.77	8.76%
Securitization borrowings	193.16	10.52%
External commercial borrowings	367.80	20.03%
Debentures	19.08	1.04%
Subordinated term loan from banks	15.20	0.83%
Subordinated term loan from others	102.88	5.60%

v. Stock Ratios

As at March 31, 2026

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)	0.00%	0.00%	0.00%
Other short-term liabilities	3.67%	3.49%	2.89%

As at March 31, 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)	0.00%	0.00%	0.00%
Other short-term liabilities	4.20%	4.00%	3.25%

49B Public disclosure on Liquidity risk management (continued)

vi. Institutional set-up for liquidity risk management

The Company's Board of Directors has the overall responsibility of management of liquidity risk. The Board decides the strategic policies and procedures of the Company to manage liquidity risk in accordance with the risk tolerance/limits decided by it.

The Company also has a Risk Management Committee, which is a sub committee of the Board and is responsible for evaluating the overall risk faced by the Company including liquidity risk.

Asset Liability Management Committee (ALCO) of the Company is responsible for ensuring adherence to the risk tolerance/limits as well as implementing the liquidity risk management strategy of the Company.

***Notes**

1. 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 NBFCs.

2. 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.

3. Total Liabilities has been computed as sum of all liabilities (Balance Sheet figure) less Equity and Other equity.

4. “Public funds" shall include funds raised either directly or indirectly through public deposits, commercial paper, debentures, inter-corporate deposits and bank finance but excludes funds raised by issue of instruments compulsorily convertible into equity shares within a period not exceeding 10 years from the date of issue.

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50 Disclosure of frauds reported during the year

Particulars	Less than INR 1 Lakh		More than INR 1 Lakh less than INR 25 Lakh		Above INR 25 Lakh		Total	
	Number of Instances	Rs. (in lakhs)	Number of Instances	Rs. (in lakhs)	Number of Instances	Rs. (in lakhs)	Number of Instances	Rs. (in lakhs)
During the year ended March 31, 2026								
Person involved:								
Staff	311.00	37.27	19.00	28.63	-	-	330.00	65.90
Outsiders	-	-	-	-	-	-	-	-
Type of fraud:								
Misappropriation and criminal breach of trust, manipulation of books of accounts, cheating and forgery	311.00	37.27	19.00	28.63	-	-	330.00	65.90
Others	-	-	-	-	-	-	-	-
Total	**311.00**	**37.27**	**19.00**	**28.63**	**-**	**-**	**330.00**	**65.90**
During the year ended March 31, 2025								
Person involved:								
Staff	318.00	38.99	21.00	46.05	1.00	71.00	340.00	156.04
Outsiders	-	-	-	-	-	-	-	-
Type of fraud:								
Misappropriation and criminal breach of trust, manipulation of books of accounts, cheating and forgery	318.00	38.99	21.00	46.05	-	-	340.00	156.04
Forgery with intention to commit fraud by making any false documentation/electric record	-	-	-	-	1.00	71.00	-	-
Others	-	-	-	-	-	-	-	-
Total	**318.00**	**38.99**	**21.00**	**46.05**	**1.00**	**71.00**	**340.00**	**156.04**

51 Exposure to Real estate sector

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
A. Direct Exposure		
i. Residential Mortgages -	1,067.61	670.94
(Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented);		
ii. Commercial Real Estate –		
(Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits)	-	-
iii. Investments in Mortgage Backed Securities (MBS) and other securitised exposures –		
a) Residential	-	-
b) Commercial Real Estate	-	-

52 Exposure to capital market

The Company's loan portfolio comprises loans extended to individuals and groups of individuals. While certain loans are secured, none of them are secured by shares, bonds, debentures, units of equity-oriented mutual funds, or any other securities covered under the capital market exposure disclosure requirements prescribed by the RBI. Further, the Company's investments during the current and previous years were limited to Pass Through Certificates (PTCs), units of liquid mutual funds, unlisted equity shares, and Security Receipts (SRs) issued by Asset Reconstruction Companies (ARCs). Accordingly, the Company does not have any exposure to the capital market within the meaning of the RBI's capital market exposure disclosure framework, and therefore the related disclosures are not applicable.

53 Disclosures relating to Direct Assignment, Asset Reconstruction Company and Securitisation

53.1 Disclosures pursuant to Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025, in terms of the RBI circular RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26 dated 28 November 2025, as amended.

During the year ended March 31, 2026

i) The details of loans (not in default) transferred through direct assignment during the year ended March 31, 2026

Sl no	Particulars	To permitted transferees	To other transferees
1	Aggregate principal outstanding of loans transferred (INR in lakhs)	17,992.57	Nil
2	Weighted average residual tenor of the loans transferred (in months)	15.18	Nil
3	Weighted average holding period after origination (in months)	8.61	Nil
4	Retention of beneficial economic interest	6.47%	Nil
5	Rating-wise distribution of rated Loans	NA	Nil
6	Instances where it has agreed to replace loans transferred to transferee	Nil	Nil
7	Pay damages arising out of any representation or warranty	NA	NA
8	Coverage of Tangible Security Coverage	Nil	NA

ii) The company has not acquired loans (not in default) during the year ended 31st March 2026

iii) The details of stressed loans transferred to ARC, during the year ended March 31, 2026:

S. No.	Particulars	To ARC	
		NPA	SMA
1	No. of accounts	59,971	15080
2	Aggregate principal outstanding of loans transferred (Rs. in lakhs)	18,005.16	5,116.40
3	Weighted average residual tenor of the loan transferred (in	8.79	13.97
4	Net book value of loans transferred (Rs. in lakhs) ^	8,374.44	5,110.14
5	Aggregate consideration (Rs. in lakhs)	15,225.00	
6	Additional consideration realized in respect of accounts transferred in earlier years (Rs. in lakhs)	NA	NA

* The aggregate principal outstanding does not includes consideration for 1,70,992 written off contracts with principal dues of Rs. 28,111.94 lakhs.

^ Net book value includes accrued interest (net of ECL provision)

The Security receipts (SR's) held and recovery ratings assigned to such SR's by the credit rating agency

Particulars	Category of recovery ratings	As at March 31, 2026
Security Receipts issued by CFMARC Trust – 186 (Trust floated hy CFM Asset Reconstruction Private Limited)	BWR RR1	8,047.43
Security Receipts issued by CFMARC Trust – 216 (Trust floated hy CFM Asset Reconstruction Private Limited)	Rating not yet due	3,234.84

iv) The company has not acquired any stressed loan during the year ended 31st March 2026

53 Disclosures relating to Direct Assignment, Asset Reconstruction Company and Securitisation (continued)

During the year ended March 31, 2025				
i) Details of Loans (not in default) transferred during the year				
Sl no	**Particulars**	**To ARCs**	**To permitted transferees**	**To other transferees**
1	No. of accounts	Nil	132631	Nil
2	Aggregate principal outstanding of loans	Nil	52456.65	Nil
3	Sale Consideration (INR in lakhs)	Nil	47980.77	Nil
4	Number of Transactions	Nil	10	Nil
5	Weighted average residual tenor of the	Nil	16	Nil
6	Weighted average holding period after	Nil	6.79	Nil
7	Retention of beneficial economic interest	Nil	8.53%	Nil
8	Rating-wise distribution of rated Loans	Nil	NA	Nil
9	Instances where it has agreed to replace	Nil	Nil	Nil
10	Pay damages arising out of any	NA	NA	NA
11	Coverage of Tangible Security Coverage	NA	Nil	NA
ii) The company has not acquired loans (not in default) during the year ended 31st March 2025				
iii) The company has not transferred any stressed loans during the year ended 31st March 2025				
iv) The company has not acquired any stressed loan during the year ended 31st March 2025				

53.2 Details of securitisation transactions undertaken

Particulars	**For the year ended March 31, 2026**	**For the year ended March 31, 2025**
1. No of SPEs holding assets for securitisation transactions originated by the originator (only the SPVs relating to outstanding securitisation exposures to be reported here)	13	6
2. Total amount of securitised assets as per books of the SPEs #	42,174.18	22,525.07
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	4,495.56	1,975.37
Others	5,578.82	3,716.44
4 Amount of exposures to securitisation transactions other than MRR		
a) Off-balance sheet exposures		
i) Exposure to own securitisations		
First loss	-	-
Others	-	-
ii) Exposure to third party securitisations		
First loss		-
Others	-	-
b) On-balance sheet exposures		
i) Exposure to own securitisations		
First loss	-	-
Others	-	-
ii) Exposure to third party securitisations		
First loss	-	-
Others	-	-
Sale consideration received for the securitised assets and gain/loss on sale on account of securitisation $	-	-
Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.***		
Performance of facility provided. Please provide separately for each facility viz. Credit		
(a) Amount paid **	13,843.44	35,797.42
(b) Repayment received ^^	11,920.35	33,952.34
(c) Outstanding amount ^	36,196.28	19,315.92
Servicing fee	9.05	13.00
Average default rate of portfolios observed in the past.	Nil	Nil
Amount and number of additional / top up loan given on same underlying asset.	Nil	Nil
Investor complaints		
(a) Directly / Indirectly received and;	Nil	Nil
(b) Complaints outstanding	Nil	Nil
Credit enhancement in the form of Loan (8.25% - 12% of pool amount) and cash	10,074.39	5,691.81

53 Disclosures relating to Direct Assignment, Asset Reconstruction Company and Securitisation (continued)

53.2 Details of securitisation transactions undertaken (continued)

Average default rate of portfolios observed in the past. ##

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

Investor complaints (a) Directly/Indirectly received and; (b) Complaints outstanding

^ Principal outstanding/payable considered under collateralised borrowing from banks arising out of securitisation transaction in financial statement.

Principal outstanding of the pool as at the year end

** Principal amount paid to Investor out of the collection made.

^^ Principal Collection made from the pool.

There were no securitisation/PTC transaction deal undertaken by Company in last 5 year (excluding the current running transaction).

*** Company considers the securitization as one of the mode of fund raising. As this do not meets the criteria for derecognition, the same remains on balance sheet item and the amount received is considered as borrowing. Company remits the interest payable and principal collection from the pool to the lender at periodic intervals as per the agreement.

54 Details of non- performing financial assets purchases / sold

The Company has not purchased or sold any non-performing financial assets during the year, except in connection with transactions undertaken with Asset Reconstruction Companies (ARCs), wherein certain stressed loan assets, including Non-Performing Assets (NPAs) and Special Mention Account (SMA) assets, were transferred. Please refer Note 53.1 for the details of such transfer.

55 Details of financing of Parent Company products

The Company has no exposures in this regard and accordingly disclosures in relation to this is not applicable.

56A Details of Single Borrower Limits (SBL)/ Group Borrower Limits (GBL) exceeded

During the years ended March 31, 2026 and March 31, 2025, the Company complied with the exposure norms prescribed by the Reserve Bank of India relating to Single Borrower Limits and Group Borrower Limits. Accordingly, there were no instances of breach of the prescribed limits during the respective years.

56B Unsecured Advances - Refer Note 7B

57 Advances against Intangible Securities

The Company has not granted any loans or advances against intangible securities during the year. Accordingly, the disclosure requirements relating to advances against intangible securities are not applicable to the Company.

58 Registration/ licence/ authorisation obtained from other financial sector regulators :

Regulator	Registration Number
Ministry of Corporate Affairs	U65991TN1993PTC024547
Reserve Bank of India	B-07-00627
Insurance Regulatory and Development	CA0646

Registration / Licence	Authority issuing the registration	Registration / Licence reference
Certificate of Registration	Reserve Bank of India	B-07-00627 dated March 28, 2019
Certificate of Registration	Insurance Regulatory and Development	CA0646 dated April 25, 2025

59 Penalties imposed by RBI and other regulators

During the financial year 2025–26, no fines or penalties have been imposed by the Reserve Bank of India (RBI) or any other regulatory authorities on the Company except for the below:

Applicable Regulation	Penalty levied by	Reason	Fine levied
Regulation 58 of SEBI (LODR) Regulations, 2015	Bombay Stock Exchange	Non-submission of Annual Report within prescribed timeline	Rs, 70,000/-
Regulation 51 read with Part B of Schedule III of SEBI (LODR) Regulations, 2015	Bombay Stock Exchange	Non-submission of Notice of General Meeting to BSE	Rs, 5,000/-

60 Exposure to Perpetual Debt Instruments (PDI)

The Company does not have any exposure to Perpetual Debt Instruments during the year ended March 31, 2026 and March 31, 2025.

61 Ratings

Particulars	Rating agency	Date of rating	For the year ended March 31, 2026	Date of Rating	For the year ended March 31, 2025
Bank facilities	CARE	3/30/2026	BBB Stable	3/5/2025	BBB+
	CARE-Short term	3/30/2026	A3+	3/5/2025	A2
	CRISIL	7/21/2025	BBB+ Stable	10/9/2024	BBB+
Subordinated debt issue	CRISIL	7/21/2025	BBB+ Stable	10/9/2024	BBB+
	CARE	3/30/2026	BBB Stable	3/5/2025	BBB+
Commercial Paper	CARE	3/30/2026	A3+	3/5/2025	A2
Non-convertible debentures - Long Term	CARE	3/30/2026	BBB Stable	05-03-2025	BBB+
	ACUITE	1/23/2026	A Stable (Provisional)	07-03-2025	-
	CRISIL	7/21/2025	BBB+ Stable	09-10-2024	BBB+
Non-convertible debentures (MLD) - Long Term	CRISIL	-	-	09-10-2024	BBB+

62 Provisions and contingencies (shown under the head expenditure in the statement of profit and loss)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Impairment on financial assets*	9,070.43	11,900.34
Impairment loss allowance (receivables)	-	35.16
Provision for Income tax	98.18	1,042.80
Provision for gratuity	157.28	218.13
Provision for leave encashment	239.50	167.52

* Includes impairment on financial assets (stage 3) amounting to INR 3647.9 lakhs (March 31, 2025: INR 8780.07 lakhs). Also refer note 36

63 Draw down from reserves

The company has not made any drawdown from existing reserves during the year ended March 31, 2026 and March 31, 2025.

64 Concentration of advances

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Total advances to twenty largest borrowers	161.32	162.14
Percentage of advances to twenty largest borrowers to total advances	0.09%	0.09%

65 Concentration of exposures

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Total exposure to twenty largest borrowers	161.32	162.14
Percentage of exposures to twenty largest borrowers to total exposure	0.09%	0.09%

66 Concentration of NPA Contracts*

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Total exposure to top four NPA accounts	21.82	17.09

** represents stage 3 contracts*

67 Movement of Non-Performing Assets (NPA's)

	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(a)	**Net NPAs to net advances (%)**	**1.64%**	**3.91%**
	(Net of provision for NPAs)		
(b)	**Movement of gross NPAs**		
	Opening balance	15,559.77	5,528.55
	Additions during the year	5,160.31	14,804.95
	Reductions during the year (Refer note 53.1)	(14,215.18)	(4,773.74)
	Closing balance	**6,504.90**	**15,559.77**
(c)	**Movement of net NPAs**		
	Opening balance	6,779.70	2,288.49
	Additions during the year (net)	2,324.04	6,441.16
	Reductions during the year	(6,246.73)	(1,949.96)
	Closing balance	**2,857.00**	**6,779.70**
(d)	**Movement of provisions for NPAs (excluding contingent provisions against standard assets)**		
	Opening balance	8,780.07	3,240.06
	Provisions made during the year	2,836.27	8,363.79
	Write-off / write-back of excess provisions	(7,968.45)	(2,823.78)
	Closing balance	**3,647.89**	**8,780.07**

Note : NPA contracts represents Stage 3 contracts and the NPA Provision represents the Loss allowance on Stage 3 contracts. This is based on the yearly movement of NPA accounts. The Net advance is arrived at by adding back processing fee and deducting NPA provision to gross loans.

Movement of provisions held towards guarantees		
Opening balance	65.81	76.53
Add: Provisions made during the year	22.14	160.84
Less: Write off/ write back/ reversal of provision during the year	(63.49)	(171.56)
Closing balance	**24.46**	**65.81**

Note : The above disclosure also includes the loss allowance towards undrawn loans.

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

The Company does not own any overseas assets as at the reporting date. Accordingly, the disclosure requirements relating to overseas assets are not applicable.

69 Off-balance sheet SPVs sponsored

The Company has not sponsored any Special Purpose Vehicles (SPVs) that are required to be consolidated or disclosed separately in accordance with the applicable accounting standards. Accordingly, there are no off-balance sheet SPVs sponsored by the Company as at the reporting date.

70 Customer complaints	**For the year ended March 31, 2026**	**For the year ended March 31, 2025**
Complaints received from the customers		
1. No. of complaints pending at the beginning of the year	-	-
2. No. of complaints received during the year	2,625	4,251
3. No. of complaints disposed during the year	2,620	4,251
3.1. Of which, number of complaints rejected by the NBFC	-	-
4. No. of complaints pending at the end of the year	5	-
Complaints received from the office of ombudsman		
5. Number of maintainable complaints received by the NBFC from Office of Ombudsman	5	1
5.1. Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	5	1
5.2. Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	-	-
5.3. Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	-
6. Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
Current year					
Collection related	-	398.00	59%	1.00	1.00
Complaint against	-	223.00	53%	2.00	2.00
Disbursement Related	-	719.00	(269%)	2.00	2.00
HR Related	-	-	100%	-	-
Insurance & NPS	-	741.00	13%	-	-
Loan related	-	494.00	66%	-	-
Mitra Application	-	46.00	81%	-	-
Product Related	-	4.00	80%	-	-
Grand Total	**-**	**2,625.00**		**5.00**	**5.00**
Previous year					
Collection related	-	971.00	539%	-	-
Complaint against staff	-	472.00	219%	-	-
Disbursement Related	-	195.00	(52%)	-	-
HR Related	-	42.00	320%	-	-
Insurance & NPS	-	852.00	71%	-	-
Loan related	-	1,457.00	54%	-	-
Mitra Application	-	242.00	27%	-	-
Product Related	-	20.00	(33%)	-	-
Grand Total	**-**	**4251.00**	**-**	**0.00**	**0.00**

71 Sector-wise NPAs (Percentage of NPA's to total advances in that sector)

	For the year ended March 31, 2026			For the year ended March 31, 2025		
Sectors	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ crore)	Gross NPAs (₹ crore)	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ crore)	Gross NPAs (₹ crore)	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities						
i)Dairy Loan	370.79	11.45	3.09%	355.13	22.24	6.26%
ii)Agricultural-cultivation	286.91	11.25	3.92%	322.71	24.25	7.52%
iii)Others	48.62	6.45	13.27%	77.50	12.93	16.68%
Total of Agriculture and allied activities (i+ii+iii)	**706.33**	**29.16**	**4.13%**	**755.34**	**59.42**	**7.87%**
2. Industry						
i)Expansion of existing business / setting additional business	300.23	18.89	6.29%	324.72	43.09	13.27%
ii)Purchase of additional stock / raw material	193.99	7.01	3.61%	197.30	9.81	4.97%
iii)Others	10.86	2.17	19.98%	25.50	7.04	27.60%
Total of Industry (i+ii+iii)	**505.07**	**28.07**	**5.56%**	**547.52**	**59.95**	**10.95%**
3. Services						
i)Cloth Shop	-	-	0.00%	5.42	1.32	24.33%
ii)Others	4.64	1.56	33.72%	13.04	4.46	34.21%
Total of Services (i+ii)	**4.64**	**1.56**	**33.72%**	**18.46**	**5.78**	**31.31%**
4. Personal Loans						
i) Household expenses	251.89	1.70	0.67%	227.60	15.01	6.60%
ii) Education-School/College	151.45	1.64	1.08%	96.10	5.36	5.57%
iii) Construction/purchase/repair House	83.80	1.06	1.27%	48.09	2.94	6.11%
iv) Loans for safe water and sanitation	64.11	1.19	1.86%	45.49	5.57	12.24%
v) Others	33.66	0.67	1.99%	143.65	1.57	1.09%
Total of Personal loans (i-v)	**584.91**	**6.26**	**1.07%**	**560.93**	**30.45**	**5.43%**
Total (1+2+3+4)	**1,800.94**	**65.05**	**3.61%**	**1,882.25**	**155.60**	**8.27%**

(All amounts are in Indian Rupees in Lakhs, except share data and as stated)

72 Disclosure under Regulation 53 read with Schedule V of SEBI (LODR) Regulations, 2015

Particulars	As at March 31, 2026	As at March 31, 2025
a) Loans and advances in the nature of loans to subsidiaries	-	-
b) Loans and advances in the nature of loans to associates	-	-
c) Loans and advances in the nature of loans to firms/ companies in which directors are interested	-	-

73 Disclosure under Regulation 54 read with Schedule V of SEBI (LODR) Regulations, 2015

In respect of its listed non-convertible debt securities, the company has maintained one hundred per cent security cover or higher security cover as per the terms of the Debenture Trust Deed required under Regulation 54 of the SEBI (LODR) Regulations 2015.

74 Reserve Bank of India (Non-Banking Financial Companies – Income Recognition, Asset Classification and Provisioning) Directions, 2025, as amended from time to time.

As at March 31, 2026

Asset classification as per RBI Norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS*	Loss allowance (provision) 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	171,977.00	1,264.20	170,712.80	688.13	576.07
	Stage 2	1,612.54	150.71	1,461.83	6.45	144.26
Sub total		**173,589.53**	**1,414.91**	**172,174.63**	**694.58**	**720.33**
Non Performing Assets (NPA)						
Sub-standard	Stage 3	5,034.81	2,763.30	2,271.51	1,256.25	1,507.05
Doubtful < 1 year	Stage 3	1,463.74	881.36	582.38	1,456.39	(575.03)
1 - 3 years	Stage 3	2.16	1.10	1.06	2.16	(1.06)
>3 years	Stage 3	4.18	2.13	2.05	4.18	(2.05)
Loss Assets	Stage 3	-	-	-	-	-
Subtotal		**6,504.89**	**3,647.90**	**2,857.00**	**2,718.99**	**928.91**
Other items such as guarantees, loan commitment etc., which are in the scope of Ind AS 109 but not covered under Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Sub total		**-**	**-**	**-**	**-**	**-**
Total	Stage 1	171,977.00	1,264.20	170,712.80	688.13	576.07
	Stage 2	1,612.54	150.71	1,461.83	6.45	144.26
	Stage 3	6,504.89	3,647.90	2,857.00	2,718.99	928.91
Total		**180,094.43**	**5,062.80**	**175,031.62**	**3,413.57**	**1,649.23**

In terms of the requirement as per RBI notifications no. RBI/2019-20/170 DOR (NBFC).CC. PD No. 109/22.10.106/2019-20 dated March 13, 2021 on implementation of Indian accounting standards, Non-Banking Financial Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income recognition, Asset Classification and Provisioning (IRACP) Norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the Company exceeds the total provision required under IRACP (including standard asset provisioning as at March 31, 2026 and accordingly, no amount is required to be transferred to impairment reserve.)

Reserve Bank of India (Non-Banking Financial Companies – Income Recognition, Asset Classification and Provisioning) Directions, 2025, as amended from time to time.

As at March 31, 2025

Asset classification as per RBI Norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS*	Loss allowance (provision) 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	167,308.55	1,398.93	165,909.62	669.23	729.70
	Stage 2	5,356.53	304.03	5,052.50	21.43	282.60
Sub total		**172,665.08**	**1,702.96**	**170,962.12**	**690.66**	**1,012.30**
Non Performing Assets (NPA)						
Sub-standard	Stage 3	15,408.35	8,595.31	6,813.04	3,851.38	4,743.93
Doubtful < 1 year	Stage 3	60.37	132.26	-71.90	57.71	74.55
1 - 3 years	Stage 3	2.56	1.48	1.08	1.84	(0.36)
>3 years	Stage 3	88.48	51.02	37.47	88.48	(37.46)
Loss Assets	Stage 3	-	-	-	-	-
Subtotal		**15,559.76**	**8,780.07**	**6,779.69**	**3,999.41**	**4,780.66**
Other items such as guarantees, loan commitment etc., which are in the scope of Ind AS 109 but not covered under Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Sub total		**-**	**-**	**-**	**-**	**-**
Total	Stage 1	167,308.55	1,398.93	165,909.62	669.23	729.70
	Stage 2	5,356.53	304.03	5,052.50	21.43	282.60
	Stage 3	15,559.76	8,780.07	6,779.69	3,999.41	4,780.66
Total		**188,224.84**	**10,483.03**	**177,741.81**	**4,690.07**	**5,792.96**

75 **i) Disclosure as per formal prescribed under notification RBl/2020-21/16 DOR No BP BC/3/21.04 048/2020-21 dtAugust 06, 2020 and RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated 05th May 2021 in respect of Resolution Framework I and Resolution Framework II, respectively, for Covid Related stress. -** Nil

76 **Disclosure under Master Direction - Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025, as amended from time to time.**

Particulars	As at March 31, 2026	As at March 31, 2025
a) Quantum of Co-Lending Arragements (CLAs)	20,630	20,630
b) Weighted average rate of interest	9.20%	9.20%
c) Fees charged	29.97	483.06
d) Fees paid	-	-
e) Broad sectors in which CLA was made	Financial Sector (Bank & NBFC)	Financial Sector (Bank & NBFC)

77 **Business acquisition - Business Transfer Agreement with Dvara KGFS Digital Services Private Limited (Formerly known as "Saija Finance Private Limited")**

The Company owned a 25.9% stake in the Equity of Dvara KGFS Digital Services Private Limited ("DKGFS Digital").

During the financial year, the Company acquired 2,57,41,278 equity shares of Dvara KGFS Digital Services Private Limited from a shareholder on December 10, 2025. Consequent to the acquisition, the Company's shareholding in Dvara KGFS Digital Services Private Limited increased to 54.80% on an undiluted basis.

Accordingly, Dvara KGFS Digital Services Private Limited ceased to be an associate and became subsidiary w.e.f. November 28, 2026.

78 Transfer of Digital Business Undertaking

During the financial year, the Company transferred its digital business undertaking to Dvara KGFS Digital Services Private Limited pursuant to a Business Transfer Agreement ("BTA") executed on November 28, 2025. The transfer was undertaken by way of a slump sale on a going-concern basis for a lump-sum consideration of Rs. 72.16 lakhs through Demand Promissory Note.

The digital business undertaking transferred comprised the Company's digital services platform, associated technology infrastructure, software applications, and related assets and liabilities forming part of the Company's digital business operations. Consequent to the completion of the transaction, the Company derecognised the assets and liabilities pertaining to the transferred undertaking in accordance with the applicable Indian Accounting Standards.

79 Audit Log

The Company maintains its books of account using accounting software that includes an audit trail (edit log) feature capable of capturing each transaction and any changes made to such transactions. This feature was enabled and operated throughout the financial year at the application level for all transactions recorded in the accounting software. The audit trail (edit log feature) has not been tampered with during the year.

For the audit trail at the database level:

(i) The audit trail functionality for the Loan Origination System (LOS) and Finezy (payment processing application) was not enabled during the year;

(ii) The audit trail feature for the Loan Management System (LMS) was enabled from December 16, 2025.

80 Code on Social Security

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

81 Analytical Ratios

Ratios	Numerator	Denominator	For the year ended March 31, 2026	For the year ended March 31, 2025	% Variance	Reason for Variance (if above 25%)
Capital Risk Adequacy Ratio (CRAR)	38,559.84	159,010.83	24.25%	23.92%	1.38%	NA
Tier-I CRAR	28,277.36	159,010.83	17.78%	17.47%	1.78%	NA
Tier-II CRAR	10,282.48	159,010.83	6.47%	6.45%	0.29%	NA
Liquidity Coverage Ratio*	NA	NA	NA	NA	NA	NA

*Liquidity coverage ratio is not applicable to the Company as it is a non-deposit-taking NBFC with an asset size below ₹5,000 crore, in accordance with Annex B, Para 1 of RBI Circular RBI/2019-20/88 dated November 4, 2019

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82 Other statutory disclosures

a) The borrowings from banks and financial institutions have been used for the purposes for which it was taken as at the balance date.

b) The Company does not have any Benami property where any proceeding has been initiated or pending against the company to holding any Benami property.

c) The Company does not have any transactions with Struck-off companies during the year ended March 31, 2026 and March 31, 2025.

d) The Company does not have any charge or satisfaction which is yet to be registered with ROC beyond the statutory period.

e) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

f) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies) including foreign (Intermediaries) with the understanding 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 to or on behalf of the Ultimate Beneficiaries.

g) The Company has not received any fund from any person(s) or entity (ies). including foreign entities (Funding Party) with to 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 to or on behalf of the Ultimate Beneficiaries.

h) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered and disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any of relevant provisions of the Income Tax Act. 1961

i) There were no amounts required to be transferred to the Investor Education and Protection Fund (IEPF) during the year.

j) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of layers) Rules, 2017.

k) The Company did not have any long-term contract including derivative for which there were any material foreseeable losses.

83 Labour Codes

On November 21, 2025, the Government of India notified the four Labour Codes: the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020, consolidating 29 existing labour laws. The Ministry of Labour & Employment has also published draft Central Rules and FAQs to facilitate assessment of the impact arising from the revised regulatory framework. Based on the draft rules issued and the guidance provided by the Institute of Chartered Accountants of India, the Company has carried out a detailed evaluation of the potential implications of the Labour Codes, including the revised definition of wages, on its employee benefit obligations. Based on such assessment, the Company has determined that the implementation of the Labour Codes does not result in any material impact on the Statement of Profit and Loss for the period. The Company continues to monitor the finalisation of the Central and State Rules and any further clarifications issued by the Government. Any impact, if arising pursuant to such developments, will be evaluated and accounted for in accordance with the applicable accounting standards.

84 Previous period's figures have been regrouped / reclassified wherever necessary, to confirm with the current period

As per our report of even date
for Sharp & Tannan
Chartered Accountants
Firm's registration number: 003792S

For and on behalf of the Board of Directors of
Dvara Kshetriya Gramin Financial Services Private Limited
CIN : U65991TN1993PTC024547

P Rajesh Kumar
Partner
Membership No. 225366

Samir Amrit Shah
Director & Chairman
DIN: 00912693
Place : Chennai

LVLN Murty
MD & CEO
DIN : 09618861
Place : Chennai

Place : Chennai
Date : May 13, 2026

Abhik Sarkar
Chief Financial Officer
Place : Chennai
Date : May 13, 2026

Aravinthan B
Company Secretary
Membership No. A76929
Place : Chennai

INDEPENDENT AUDITOR'S REPORT

To the members of Dvara Kshetriya Gramin Financial Services Private Limited

Report on the audit of the consolidated financial statements

Opinion

We have audited the accompanying consolidated financial statements of Dvara Kshetriya Gramin Financial Services Private Limited (hereinafter referred to as 'the holding company') and its subsidiary (hereinafter referred to as 'the Group'), which comprise the consolidated balance sheet as at 31 March 2026, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of cash flows, and the consolidated statement of changes in equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors on financial statements and on the other financial information of its subsidiary, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS' or 'the Rules'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2026, and its consolidated loss, consolidated total comprehensive income, its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs or 'Standards') specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's responsibilities for the audit of the consolidated financial statements' section of our report.

We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

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

Key audit matters	How the matter was addressed in our audit
Impairment of loans to customers – expected credit loss and write-off Under Ind AS 109, Financial Instruments, allowance for loan losses is determined using expected credit loss ("ECL") estimation model. As at 31 March 2026, the holding company has total gross loan assets of Rs. 1,80,094 lakhs against which an impairment loss of Rs. 5,063 lakhs has been recorded. The determination of impairment losses on loans is complex and is based on the application of significant management judgements, estimates and the use of different modelling techniques and assumptions, which have a material impact on reported profits. The holding company has applied a three-stage approach based on changes in credit quality to measure expected credit loss on loans. The key areas where we identified greater levels of management judgement are: 1. Segmentation of loans, staging of loans and determining the criteria for a significant increase in credit risk. 2. Model estimations – determining Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposures at Default ("EAD") 3. Determining macro-economic factors impacting credit quality of receivables The holding company has recognized technical write-offs amounting to Rs. 2,475 lakhs for the year ended 31 March 2026 against which the holding company carried a provision for ECL of Rs. 1,486 lakhs.	**Our key audit procedures included:** 1. Review of the holding company's accounting policies for impairment of loan assets in terms of accounting principles laid down in Ind AS 109 and the governance framework/policies approved by the Board of Directors pursuant to Reserve Bank of India guidelines issued from time to time. 2. Understanding the process of ECL estimation and related assumptions and tested the controls around data extraction and validation to evaluate the reasonableness of the estimates. 3. Assessed and tested the design and operating effectiveness of key manual and automated controls over completeness and accuracy of the key inputs and assumptions considered for calculation, recording and monitoring of the impairment loss recognized. Evaluated the controls over the modelling process, validation of data and related approvals. 4. Involved auditor's experts for testing of the ECL model and computation, including factors that affect the PD, LGD and EAD considering various forward looking and macro-economic factors. For annual review changes in ECL model, evaluated the basis of such change including the reasonableness and appropriateness of the same.

Key audit matters	How the matter was addressed in our audit
ECL (including write-off) involves an estimation of probability weighted loss on financial instruments over their life, considering reasonable and supportable information about past events, current conditions, and forecast of future economic conditions which could impact the credit quality of the holding company's loans. In view of such a high degree of Management's judgement involved in estimation of impairment of loan assets, it is a key audit matter.	5. Assessed the criteria for staging loans based on their past-due status. Test-checked the computation of ECL, including assumptions and underlying arithmetical calculations. 6. Verified the arithmetical accuracy of the amounts of write-off of loans based on the ageing criteria approved by the Board of Directors. 7. Reviewed the appropriateness of disclosures made in the consolidated financial statements as per the requirements of Ind AS.
Financial assets measured at fair value through other comprehensive income (FVTOCI) As at 31 March 2026, the holding company has loans that are carried and measured at fair value through other comprehensive income (FVOCI) in accordance with Ind AS 109. The fair value of the loan assets measured at FVTOCI as at 31 March 2026 is Rs. 30,697 lakhs (31 March 2025: Rs. 50,654 lakhs) The classification of loans at FVTOCI is dependent on the business model assessment of the holding company whereby the management has determined that the aforesaid loans are designated to collect contractual cash flows and also to sell such financial assets. The fair value arrived by the management's valuation expert is derived using discounted cashflow models wherein the key assumptions include expected future cashflows, expected loss/default and discount rate. Given the business model assessment, the estimates involved in selecting the valuation basis, relative significance of these loans to the consolidated financial statements and the nature and extent of procedures involved, we determined this to be a key audit matter.	**Our key audit procedures included:** 1. Reviewed that the 'Business Model Assessment Policy is approved by the Board of Directors of the holding company. 2. Evaluated the criteria adopted by the management in identification of the loan portfolio and reviewed the inputs used by the management in fair valuation. 3. Assessed the design and tested the operating effectiveness of internal controls over classification of loans on the basis of management's intent and management's key internal controls over inputs used in the valuation model. 4. Assessed the reasonableness of the valuation methodology and underlying assumptions used by the management to estimate the fair value. Verified the arithmetical accuracy of the workings. 5. Reviewed the appropriateness of disclosures made in the consolidated financial statements as per the requirements of Ind AS.

Information other than the consolidated financial statements and auditor's report thereon

The Board of Directors of holding company and subsidiary are responsible for the preparation of other information. The other information comprises the information included in the directors' report and the annexures thereto, but does not include the consolidated financial statements and our report thereon. The other information is expected to be made available to us after the date of this audit report.

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

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

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations.

Responsibilities of management and those charged with governance for the consolidated financial statements

The Holding company's Board of Directors and the management are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with Indian Accounting Standards ('Ind AS') and the other accounting principles generally accepted in India including the Indian Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- obtain an understanding of internal financial controls 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 holding company has adequate internal financial controls with reference to consolidated 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 ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern; and,

- evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Other matter

The consolidated financial statements include the financial statements of a subsidiary, whose financial statements reflects the total assets of Rs. 421.10 lakhs, net assets of Rs.27.46 lakhs as at 31 March 2026, total revenues of Rs. 100.53 lakhs, net profit after tax of Rs.43.81 lakhs, total comprehensive income of Rs. 42.95 lakhs and net cash outflows of Rs.27.55 lakhs for the period ended 31 March 2026. These financial statements have been audited by another auditor whose reports have been furnished to us by the holding company's Management. Our opinion on the consolidated financial statements, insofar as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, including the report on other Information insofar as it relates to the subsidiary, is based on the report of another auditor. Our opinion is not modified in respect of this matter.

Report on other legal and regulatory requirements

1) Reporting on the matters specified in para 3 and 4 of the Companies (Auditors' Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act is not applicable to the subsidiary. As required by the Order, we give in Annexure 'A' to our Report on the standalone financial statements, to the extent applicable and based on our audit, a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.

2) As required by Section 143 (3) of the Act, to the extent applicable and based on our audit and consideration of other auditor's reports, we report that:

(a) we have sought and have 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 holding 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 (as amended);

(c) the consolidated balance sheet, the consolidated statement of profit and loss, the consolidated statement of cash flows and the consolidated statement of changes in equity dealt with by this Report are in agreement with the books of account;

(d) in our opinion, the aforesaid consolidated financial statements comply with the Ind AS notified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) on the basis of the written representations received from the directors of the holding company and taken on record by the Board of Directors of the company and the reports of the statutory auditor of the subsidiary, none of the directors of the Group is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) with respect to the holding company, the modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) of the Act and 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 consolidated financial statements of the holding company and the operating effectiveness of such controls, refer to our separate Report in Annexure 'A' which is based on our report of the Group;

(h) with respect to the other matters to be included in the auditor's report in accordance with the requirements of section 197(16) of the Act (as amended), the provisions of the section 197 read with Schedule V of the Act are not applicable to the Group;and

(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 consolidated financial statements disclose the impact of pending litigations as at 31 March 2026 on its consolidated financial position of the Group – Refer Note 38 to the consolidated financial statements;

   ii. the Group 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 Group;

iv. (a) the respective managements of the Group, whose financial statements have been audited under the Act, has represented that, to the best of its knowledge and belief, as disclosed in Note 73(f) to the consolidated financial statements, no funds (which are material either aggregate or individually) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) the respective managements of the Group, whose financial statements have been audited under the Act, has represented, that, to the best of its knowledge and belief, as disclosed in Note 73(g) to the consolidated financial statements, no funds (which are material either aggregate or individually) have been received by the Group from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether, directly or indirectly, lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on our audit procedures 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 provided by the management under sub-clause (a) and (b) above contain any material misstatement.

v. The Group has not declared or paid dividend during the year.

vi. Based on our examination which included test checks, except for instances mentioned below, the Group, in respect of financial year commencing on 1 April 2025, has used accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the software, other than the consequential impact of exceptions with respect to the holding company as given below:

(a) the audit trail functionality for the Loan Origination System (LOS) and payment processing application was not enabled during the year;

(b) the audit trail feature for the Loan Management System (LMS) was enabled from 16 December 2025.

Further during our audit, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Group as per the statutory requirements for record retention.

for **SHARP & TANNAN**
Chartered Accountants
Firm's Registration No. 003792S

P Rajesh Kumar
Partner
Membership No. 225366
UDIN: 26225366JCRXAM2674

Place: Chennai
Date: 13 May 2026

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Dvara Kshetriya Gramin Financial Services Private Limited of even date)

Report on the internal financial controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

We have audited the internal financial controls with reference to consolidated financial statements of Dvara Kshetriya Gramin Financial Services Private Limited ("the Company") as of 31 March 2026 in conjunction with our audit of the consolidated financial statements of the Group 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 controls with reference to consolidated financial statements 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 ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation, and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated 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 consolidated financial statements, whether due to fraud or error.

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

Meaning of internal financial controls with reference to consolidated financial statements

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

Inherent Limitations of internal financial controls with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31 March 2026, based on the internal financial controls with reference to consolidated financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

for **SHARP & TANNAN**
Chartered Accountants
Firm's Registration No. 003792S

P Rajesh Kumar
Partner
Membership No. 225366
UDIN: 26225366JCRXAM2674

Place: Chennai
Date: 13 May 2026

Dvara Kshetriya Gramin Financial Services Private Limited
Consolidated Balance Sheet as at March 31, 2026
(All amounts are in Indian Rupees in Lakhs, except share data and as stated)

Particulars	Note	As at March 31, 2026	As at March 31, 2025
ASSETS			
Financial assets			
Cash and cash equivalents	4	15,206.62	27,169.67
Bank balance other than cash and cash equivalents	5	9,513.70	9,235.52
Derivative financial instruments	12	7,856.71	674.75
Receivables	6	166.82	278.22
Loans	7	175,031.62	177,741.81
Investments	8	11,282.27	1,963.02
Other financial assets	9	1,321.76	1,695.06
		220,379.50	**218,758.05**
Non-financial assets			
Current tax assets (net)	32	858.61	805.40
Deferred tax assets (net)	32	2,034.23	1,776.52
Property, plant and equipment	10	605.13	731.85
Intangible asset under development	10C	162.48	83.19
Goodwill	10A	466.20	208.69
Other intangible assets	10A	1,122.55	1,527.44
Right of use assets	10B	698.87	1,127.36
Other non-financial assets	11	1,658.51	1,153.19
		7,606.59	**7,413.63**
Total Assets		**227,986.09**	**226,171.68**
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Trade payables	13		
(i) dues of micro enterprises and small enterprises		-	5.55
(ii) dues other than micro enterprises and small enterprises		406.88	417.43
Debt securities	14	58,550.10	58,469.24
Borrowings (other than debt securities)	15	104,565.44	102,755.21
Subordinated liabilities	15a	19,466.80	13,716.78
Other financial liabilities	16	4,974.91	7,303.60
		187,964.13	**182,667.81**
Non-financial liabilities			
Provisions	17	811.93	421.50
Other non-financial liabilities	18	344.16	508.74
		1,156.09	**930.24**
EQUITY			
Equity share capital	19	11,666.48	11,666.48
Other equity	20	27,217.83	30,907.15
Non-Controlling Interest		(18.44)	-
		38,865.87	**42,573.63**
Total Liabilities and Equity		**227,986.09**	**226,171.68**
Material accounting policies	2 & 3		

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

As per our report of even date

for **Sharp & Tannan**
Chartered Accountants
Firm's registration number: 003792S

For and on behalf of the Board of Directors of
Dvara Kshetriya Gramin Financial Services Private Limited
CIN : U65991TN1993PTC024547

P Rajesh Kumar
Partner
Membership No. 225366

Place : Chennai
Date : May 13, 2026

Samir Amrit Shah
Director & Chairman
DIN: 00912693
Place : Chennai

LVLN Murty
MD & CEO
DIN : 09618861
Place : Chennai

Abhik Sarkar
Chief Financial Officer
Place : Chennai
Date : May 13, 2026

Aravinthan B
Company Secretary
Membership No. A76929
Place : Chennai

Dvara Kshetriya Gramin Financial Services Private Limited
Consolidated Statement of Profit and Loss for the the year ended March 31, 2026
(All amounts are in Indian Rupees in Lakhs, except share data and as stated)

Particulars	Note	For the year ended March 31, 2026	For the year ended March 31, 2025
Income			
Revenue from operations			
Interest income	21	46,951.01	50,231.93
Fees and commission income	22	1,083.05	1,892.56
Net gain/(loss) on fair value changes	23	395.26	449.33
Net gain on derecognition of financial instruments	24	1,851.78	5,297.14
Total revenue from operations		**50,281.10**	**57,870.96**
Other income	25	201.70	80.14
Total income (A)		**50,482.80**	**57,951.10**
Expenses			
Finance costs	26	23,369.31	26,204.40
Fees and commission expense	27	326.82	558.72
Impairment on financial instruments	28	10,326.82	15,347.29
Employee benefits expenses	29	14,604.53	11,575.17
Depreciation and amortization expenses	30	1,044.83	1,194.89
Other expenses	31	4,682.37	3,230.21
Total expenses (B)		**54,354.68**	**58,110.68**
Profit before tax ((C) = (A) - (B))		**(3,871.88)**	**(159.58)**
Tax expense:	32		
Current tax		138.12	1,042.80
Deferred tax		(427.55)	(1,199.31)
Tax credit for earlier year		-	(121.38)
Total tax expense (D)		**(289.43)**	**(277.89)**
Profit after tax for the year ((E) = (C) - (D)		**(3,582.45)**	**118.31**
Other comprehensive income / (loss)			
A (i) Items that will not be reclassified to profit or loss			
- Remeasurement gain / (loss) on defined benefit plans		66.42	143.97
(ii) Income tax impact thereon		(16.72)	(41.92)
B (i) Items that will be reclassified to profit or loss			
- Net gain/ (loss) on effective portion of cash flow hedges (net)		1,303.86	160.19
- Net gain/ (loss) on financial instruments through OCI (net)		(1,402.19)	4,649.00
(ii) Income tax impact thereon		24.75	(1,400.44)
Total other comprehensive income/(loss) for the year (F)		**(23.87)**	**3,510.80**
Total comprehensive income for the year		**(3,606.32)**	**3,629.12**
Earnings per equity share (face value Rs.100 each)			
- Basic (in Rs.)	33	(30.71)	1.01
- Diluted (in Rs.)	33	(30.71)	1.01

The notes referred to above form an integral part of these standalone financial statements
As per our report of even date

for **Sharp & Tannan**
Chartered Accountants
Firm's registration number: 003792S

For and on behalf of the Board of Directors of
Dvara Kshetriya Gramin Financial Services Private Limited
CIN : U65991TN1993PTC024547

P Rajesh Kumar
Partner
Membership No. 225366

Samir Amrit Shah
Director & Chairman
DIN: 00912693
Place : Chennai

LVLN Murty
MD & CEO
DIN : 09618861
Place : Chennai

Place : Chennai
Date : May 13, 2026

Abhik Sarkar
Chief Financial Officer
Place : Chennai
*.

Aravinthan B
Company Secretary
Membership No. A76929
Place : Chennai

Dvara Kshetriya Gramin Financial Services Private Limited
Statement of audited consolidated cash flows for the year ended March 31, 2026
(All amounts are in Indian Rupees in Lakhs, except share data and as stated)

Particulars	As at March 31, 2026	As at March 31, 2025
A. Cash flow from operating activities		
Loss before tax	(3,871.88)	(159.58)
Adjustments to reconcile profit/(loss) before tax to net cash flows:		
Depreciation and amortization	1,044.83	1,283.10
Impairment on financial instruments (net)	10,378.51	16,083.71
Finance costs	23,369.31	26,204.40
Provision for employee stock option plan	69.19	25.43
Interest on deposits with banks	(685.90)	(939.55)
Interest income on loans	(46,171.41)	(50,085.52)
Net gain on derecognition of financial instruments	(1,851.78)	(5,297.14)
Interest on Investments	(76.55)	(862.54)
Net gain / (loss) on derecognition of other assets/ liabilities	(96.84)	2.44
Gain on sale of investments	(452.54)	(449.33)
Operating profit before working capital changes	**(18,345.07)**	**(14,194.58)**
Changes in working capital and other changes:		
Decrease/(Increase) in trade receivables	111.40	70.65
Decrease/(Increase) in other bank balances	(590.83)	3,376.25
Decrease/(Increase) in loans	(8,357.90)	(2,735.16)
Decrease/ (Increase) in other financial assets	373.30	(675.16)
Decrease/ (Increase) in other non financial assets	(505.32)	(56.89)
Increase/(Decrease) in trade payables, other liabilities and provisions and derivative financial instruments	(8,706.87)	(540.18)
Cash flow from operating activities post working capital changes	**(36,021.28)**	**(14,755.07)**
Interest income on loans	49,027.24	48,683.02
Finance cost paid	(23,395.06)	(26,888.93)
Cash flow used in operating activities	**(10,389.10)**	**7,039.02**
Income tax paid (net)	(53.21)	(399.16)
Net cash flow used in operating activities	**(10,442.31)**	**6,639.86**
B. Cash flow from investing activities		
Proceeds from sale of property, plant and equipment	6.40	3.01
Purchase of property, plant and equipment	(441.20)	(592.38)
Increase of intangible asset under development	(79.29)	(24.14)
Purchase of other intangible assets	(115.84)	(180.01)
Purchase of investments	(113,894.96)	(1,875.93)
Proceeds from sale/redemption of Investments	93,046.75	442.24
Investment in Security Receipts	11,496.07	-
Redemption of Security Receipts	210.87	-
Interest received on Investments	91.07	848.03
Interest received on deposits with banks	998.55	1,002.28
Net cash flow from investing activities	**(8,681.58)**	**(376.90)**
C. Cash flow from financing activities		
Repayment of debt securities	80.86	17,766.41
Proceeds/(Repayment) from borrowings (other than debt securities)	1,835.98	(27,551.88)
Proceeds from issue of Subordinated liabilities	3,122.04	6,232.79
Proceeds from issue of Compulsorily Convertible Preference Shares	2,627.98	-
Payment of lease liabilities	(506.02)	(492.15)
Net cash flow from financing activities	**7,160.84**	**(4,044.83)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**(11,963.05)**	**2,218.13**
Cash and cash equivalents at the beginning of the year	27,169.67	24,951.54
Cash and cash equivalents at the end of the year	**15,206.62**	**27,169.67**

Notes:

a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - "Statement of Cash Flows".

b) Components of cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Cash and cheques on hand	86.28	258.63
Balances with banks		
-In current accounts	13,052.08	16,274.45
-In deposit accounts with original maturity less than three months	2,068.26	10,636.59
	15,206.62	**27,169.67**

c) Reconciliation of liabilities from financing activities

Particulars	Debt Securities	Borrowings (Other than Debt Securities)	Subordinated Liabilities (Including CCPS)	Lease Liabilities
As at March 31, 2024	**40,991.88**	**130,579.80**	**7,786.15**	**1,260.89**
Cash flows	17,766.41	(27,551.88)	6,232.79	(492.15)
Non-cash changes, Fair value changes / lease liabilities during the year	(289.05)	(272.71)	(302.16)	6,534.86
As at March 31, 2025	**58,469.24**	**102,755.21**	**13,716.78**	**7,303.60**
Cash flows	80.86	1,835.98	5,750.02	(506.02)
Non-cash changes, Fair value changes / lease liabilities during the year	-	(25.75)	-	(1,822.67)
As at March 31, 2026	**58,550.10**	**104,565.44**	**19,466.80**	**4,974.91**

As per our report of even date
for **Sharp & Tannan**
Chartered Accountants
Firm's registration number: 003792S

For and on behalf of the Board of Directors of
Dvara Kshetriya Gramin Financial Services Private Limited
CIN : U65991TN1993PTC024547

P Rajesh Kumar
Partner
Membership No. 225366

Samir Amrit Shah
Director & Chairman
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Place : Chennai

LVLN Murty
MD & CEO
DIN : 09618861
Place : Chennai

Place : Chennai
Date : May 13, 2026

Abhik Sarkar
Chief Financial Officer
Place : Chennai
Date : May 13, 2026

Aravinthan B
Company Secretary
Membership No. A76929
Place : Chennai

Dvara Kshetriya Gramin Financial Services Private Limited
Consolidated Statement of changes in equity for the the year ended March 31, 2026
(All amounts are in Indian Rupees in Lakhs, except share data and as stated)

A Equity share capital

Particulars	Number of shares	Amount
Balance as at April 1, 2024	**10,887,144**	**10,887.14**
Add: Shares issued during the year	**-**	-
Balance as at March 31, 2025	**10,887,144**	**10,887.14**
Balance as at April 1, 2025	**10,887,144**	**10,887.14**
Add: Shares issued during the year	-	-
Balance as at March 31,2026	**10,887,144**	**10,887.14**

B Other equity

	Reserves and Surplus						Other Comprehensive Income				
Other equity	**Statutory Reserves**	**Securities Premium**	**Capital Reserve**	**Retained Earnings**	**Employee stock option outstanding**	**General Reserve**	**Defined Benefit Obligations**	**Cash Flow Hedge Reserve**	**Fair Valuation Reserve**	**Non-Controlling Interest**	**Total**
Balance as at April 1, 2024	**2,448.78**	**35,504.84**	**2,067.21**	**(15,089.76)**	**206.70**	166.71	-	**(857.49)**	-	-	**24,446.99**
Share based expenses	-	-	-	-	25.43	-	-	-	-	-	25.43
Profit for the year	-	-	-	118.31	-	-	-	-	-	-	118.31
Transfer to statutory reserve	23.66	-	-	(23.66)	-	-	-	-	-	-	-
Other comprehensive income (net of tax)	-	-	-	-	-	-	102.05	113.55	3,295.21	-	3,510.81
Transferred to retained earnings	-	-	-	102.05	-	-	(102.05)	-	-	-	-
On issue of compulsorily convertible preference shares	-	2,805.60	-	-	-	-	-	-	-	-	2,805.60
On account of employee stock options lapsed	-	-	-	-	(14.10)	14.10	-	-	-	-	-
Balance as at March 31, 2025	**2,472.44**	**38,310.44**	**2,067.21**	**(14,893.06)**	**218.03**	**180.81**	**-**	**(743.94)**	3,295.21	**-**	**30,907.14**
Balance as at April 1, 2025	**2,472.44**	**38,310.44**	**2,067.21**	**(14,893.06)**	**218.03**	**180.81**	**-**	**(743.94)**	**3,295.21**	**-**	**30,907.14**
Other adjustments	48.01	-	(737.75)	537.47	0.09	-	-	-	-	-	(152.19)
Balance as at April 1, 2025	**2,520.45**	**38,310.44**	**1,329.46**	**(14,355.59)**	**218.12**	**180.81**	**-**	**(743.94)**	**3,295.21**	**-**	**30,754.95**
Share based expenses	-	-	-	-	69.19	-	-	-	-	-	69.19
NCI measured at fair value during acquisition	-	-	-	-	-	-	-	-	-	(11.96)	(11.96)
Profit for the year	-	-	-	(3,582.45)	-	-	-	-	-	(6.48)	(3,588.93)
Other comprehensive income (net of tax)	-	-	-	-	-	-	49.70	975.68	(1,049.26)	-	(23.88)
Transferred to retained earnings	-	-	-	49.70	-	-	(49.70)	-	-	-	0.00
Balance as at March 31,2026	**2,520.45**	**38,310.44**	**1,329.46**	**(17,888.34)**	**287.31**	**180.81**	**-**	**231.74**	**2,245.95**	**(18.44)**	**27,199.37**

The notes form an integral part of these consolidated financial statements.

for Sharp & Tannan
Chartered Accountants
Firm's registration number: 003792S

For and on behalf of the Board of Directors of
Dvara Kshetriya Gramin Financial Services Private Limited
CIN : U65991TN1993PTC024547

P Rajesh Kumar
Partner
Membership No. 225366

Samir Amrit Shah
Director & Chairman
DIN: 00912693
Place : Chennai

LVLN Murty
MD & CEO
DIN : 09618861
Place : Chennai

Abhik Sarkar
Chief Financial Officer
Place : Chennai
Date : May 13, 2026

Aravinthan B
Company Secretary
Membership No. A76929
Place : Chennai

Place : Chennai
Date : May 13, 2026

1 Reporting Entity

Dvara Kshetriya Gramin Financial Services Private Limited ("the Company") was incorporated on March 4, 1993 under the provisions of the Companies Act, 1956 (as amended). The Company is registered with the Reserve Bank of India ("RBI") as a Non-Banking Financial Company ("NBFC") under Section 45-IA of the Reserve Bank of India Act, 1934 and is classified as a Middle Layer NBFC, not accepting public deposits, in accordance with the Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025, as amended from time to time. The Company has received the Certificate of Registration dated August 8, 2013, from the RBI to carry on the business.

The Holding Company and its subsidiary is primarily engaged in the business of providing loans and advances. It also acts as a business correspondent/ partner for banks, insurance companies, and other financial institutions in the distribution of financial products and services, particularly in rural and semi-urban areas. The Company's operations are aligned with its objective of enhancing financial access and supporting the financial well-being of individuals and enterprises in underserved rural markets.

The Non-Convertible Debentures ("NCDs") issued by the Company are listed on BSE Limited, and accordingly, the Company complies with the applicable provisions of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, to the extent applicable to listed debt securities.

2 Basis of preparation

2.1 Statement of compliance

These consolidated consolidated financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, notified under Section 133 of the Companies Act, 2013 ("the Act"), read with other relevant provisions of the Act.

These consolidated financial statements have also been prepared in compliance with the applicable directions and guidelines issued by the Reserve Bank of India ("RBI") for Non-Banking Financial Companies, including the Reserve Bank of India (Non-Banking Financial Companies – financial statements: Presentation and Disclosures) Directions, 2025, as amended from time to time.

The consolidated financial statements have been prepared on a going concern basis under the historical cost convention, except for certain financial instruments and other items which are measured at fair value at the end of each reporting period in accordance with the relevant Ind AS.

These consolidated financial statements were approved by the Board of Directors and authorised for issue on May 13,2026.

The 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.

Details of Companies Consolidated in these consolidated consolidated financial statements:

Name of the Company	Type	Holding as at March 31, 2026	Holding as at March 31, 2025
Dvara KGFS Digital Services Private Limited (earlier known as "Saija Finance Private Limited")	Subsidiary	54.80%	12.80%

Details of the company's material accounting policies are disclosed in note 3.

2.2 Presentation of consolidated financial statements

The Balance Sheet, Statement of Profit and Loss and Statement of Changes in Equity have been prepared and presented in accordance with the format prescribed under Division III of Schedule III to the Companies Act, 2013, as amended from time to time, as applicable to Non-Banking Financial Companies ("NBFCs") complying with Ind AS. The Statement of Cash Flows has been prepared in accordance with Ind AS 7 – Statement of Cash Flows.

The Company presents its Balance Sheet in order of liquidity. An analysis of assets and liabilities into current and non-current is presented separately in the notes to the consolidated financial statements.

Financial assets and financial liabilities are generally presented on a gross basis in the Balance Sheet. They are offset and presented net only when the Company has a legally enforceable right to set off the recognised amounts and intends to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.3 Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees ("INR"), which is also the Company's functional currency. All amounts have been rounded off to the nearest lakhs, up to two decimal places, unless otherwise indicated.

2.4 Basis of measurement

The consolidated financial statements have been prepared on a historical cost basis, except for the following items which are measured at fair value or amortised cost, as applicable:

Items	Measurement basis
Financial assets measured at amortised cost.	Amortised Cost.
Financial assets measured at fair value (including derivative instruments, if any)	Fair value.
Financial liabilities	Amortised cost / Fair value, as applicable
Liabilities for share-based payment arrangements	Fair value.
Net defined benefit (asset) / liability	Fair value of plan assets less present value of defined benefit obligations.

2.5 Use of estimates and judgements

The preparation of the Company's consolidated consolidated financial statements requires management to make judgements and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

In view of the inherent uncertainties and subjectivity involved, actual results may differ from these estimates. Revisions to accounting estimates are recognised prospectively. The key areas involving significant judgements and estimates are set out below:

a) Business model assessment; (refer note 3.03)
b) Impairment of financial assets (Expected Credit Loss) – involves estimation of future cash flows, credit risk and forward-looking assumptions; (refer note 3.04)
c) Effective interest rate ("EIR") method – requires estimation of expected life of financial instruments and identification of fees and costs integral to yield; (refer note 3.04)
d) Fair value of financial instruments; (refer note 3.05)
e) Recognition of income in assignment transactions, including estimation of excess interest spread. (refer note 3.01)
f) Measurement of defined benefit obligations: key actuarial assumptions; (refer note 3.09)
g) Estimated useful life of property, plant and equipment, right of use assets and intangible assets; (refer note 3.07 & 3.08)
h) Recognition and recoverability of deferred tax assets; (refer note 3.11)
i) Provisions and other contingent liabilities (refer note 3.16)

3 Material accounting policies

This note sets out the material accounting policies adopted in the preparation of these consolidated financial statements. These policies have been applied consistently to all periods presented, unless otherwise stated.

3.01 Revenue Recognition

The Company's revenue primarily comprises interest income on loans, fee and commission income, income from securitisation and assignment transactions and other operating income.

<u>The Company recognises revenue from contracts with customers based on a five step model as set out in Ind 115 :</u>

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

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

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

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

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

a) Interest income

Interest income for all financial instruments that are measured at amortised cost is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. The calculation takes into account all contractual terms of the financial instrument. It includes any fees (such as processing fees) or incremental costs that are directly attributable and are an integral part of the EIR, but not future credit losses.

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

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

The Company calculates interest income by applying EIR to the gross carrying amount of financial assets other than credit-impaired assets.

When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Company recognises interest income by applying the effective interest rate to the carrying value of the financial asset. If the financial assets cure and are no longer credit impaired, the Company reverts to recognising interest income on a gross basis.

b) Fees and commission income

Fee and commission income that is integral to the effective interest rate is recognised as part of interest income in accordance with Ind AS 109 – Financial Instruments. Other fee and commission income is recognised in accordance with Ind AS 115 – Revenue from Contracts with Customers when the related performance obligation is satisfied.

Such income includes servicing fees on securitisation transactions and commission and brokerage income from the distribution of financial products. These are generally recognised at a point in time when the underlying service is rendered, or the transaction is completed, and it is probable that the economic benefits will flow to the Company and the amount can be reliably measured.

3.01 Revenue Recognition (continued)

c) Net gain on fair value changes

Mutual fund investments of the company are classified as financial assets measured at fair value through profit or loss (FVTPL). Changes in fair value, including unrealised gains/losses, are recognised in the Statement of Profit and Loss under "Net gain on fair value changes." Realised gains/losses on redemption are also recognised on a net basis in the same line item.

d) Net gain on derecognition of financial instruments

Income arising from assignment of loan assets is recognised in accordance with Ind AS 109 based on derecognition of the underlying financial assets.

Where the Company retains the right to receive excess interest spread ("EIS"), the present value of expected future cash flows is recognised upfront as income upon derecognition of the financial assets, to the extent permitted under applicable accounting standards. Subsequent changes in expected cash flows are recognised in profit or loss.

e) Other interest income

Other interest income comprises interest income on salary loans and the unwinding of discount on security deposits recognised using the effective interest rate (EIR) method. Such income is recognised over the relevant period in accordance with the principles of the effective interest rate method prescribed under Ind AS.

f) Other income

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

3.02 Finance costs

Finance costs comprise interest expense on borrowings and other financial liabilities, including term loans, debt securities, subordinated liabilities, cash credit facilities, lease liabilities and other borrowings. Finance costs also include interest and other finance charges arising on securitisation, as well as the amortisation of ancillary costs incurred in connection with borrowings.

Interest expense is recognised using the effective interest rate ("EIR") method in accordance with Ind AS 109 – Financial Instruments. Under the EIR method, interest expense, together with directly attributable transaction costs, premiums, discounts and other ancillary borrowing costs, is allocated over the expected life of the financial liability by applying a constant periodic rate to its amortised cost.

Interest on lease liabilities is recognised in accordance with Ind AS 116 – Leases using the effective interest method.

Finance costs are recognised in the Statement of Profit and Loss in the period in which they are accrue.

3.03 Financial instrument - initial recognition and measurement

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.

Financial assets primarily comprise loans and advances, investments in securities, trade and other receivables and cash and cash equivalents. Financial liabilities primarily comprise borrowings (including term loans, non-convertible debentures and subordinated debt) and trade payables.

A. Date of recognition

Financial assets and financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the instrument. For tradeable securities (including mutual fund units), the Company recognises the financial instrument on the settlement date. Debt securities issued by the Company are initially recognised on the date of origination.

B. Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments.

All recognised financial assets and financial liabilities are initially measured at fair value. Transaction costs and revenues that are directly attributable to the acquisition or issue of a financial asset or financial liability (other than financial assets and financial liabilities classified at Fair Value Through Profit or Loss ('FVTPL')) are added to or deducted from the fair value of the instrument, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of a financial asset or financial liability classified at FVTPL are recognised immediately in the Statement of Profit and Loss.

The following exceptions apply to the general principle above:

– Investments in subsidiaries are recognised at cost as permitted under Ind AS 27 'Separate consolidated financial statements' and are therefore outside the scope of Ind AS 109.

– Trade receivables that do not contain a significant financing component (as defined in Ind AS 115 'Revenue from Contracts with Customers') are initially measured at transaction price.

C. Measurement categories of financial assets and liabilities

The Company classifies all of its financial assets based on the business model for managing those assets and the contractual cash flow characteristics of each asset into one of the following measurement categories:

i) Amortised cost

ii) Fair value through other comprehensive income ("FVOCI")

iii) Fair value through profit and loss ("FVTPL")

Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

3.03 Financial instrument - initial recognition and measurement (continued)

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

a) How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Company's key management personnel;

b) The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed;

c) How managers of the business are compensated, for example, whether the compensation is based on the fair value of assets managed or on the contractual cash flows collected; and

d) The expected frequency, value and timing of sales are also important aspects of the Company's assessment.

The Company monitors financial assets measured at amortised cost or FVOCI that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business model for which the asset was held. Such monitoring forms 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 not, whether a prospective change in classification is required.

Solely Payments of Principal and Interest ('SPPI') Assessment

As a second step of its classification process, the Company assesses the contractual terms of a financial asset to identify whether they meet the SPPI test. 'Principal' for this purpose is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of premium or discount). The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgment and considers relevant factors such as the currency in which the financial asset is denominated, the period for which the interest rate is set, and whether the instrument contains features such as prepayment options, extension clauses or leverage.

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

i) Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if, and only if, both of the following conditions are met:

a) the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

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

After initial recognition, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate ('EIR') method, less any allowance for expected credit losses. The EIR amortisation is included within interest income in the Statement of Profit and Loss. Losses arising from impairment are recognised in the Statement of Profit and Loss.

ii) Financial Assets at Fair Value Through Other Comprehensive Income (FVOCI)

A financial asset is measured at FVOCI if, and only if, both of the following conditions are met:

a) the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

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

Financial assets measured at FVOCI are measured at fair value at each reporting date. Fair value movements are recognised in Other Comprehensive Income ('OCI'). However, the Company recognises interest income (calculated using the EIR method), impairment losses and reversals, and foreign exchange gains or losses in the Statement of Profit and Loss. On derecognition of the asset, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the Statement of Profit and Loss.

iii) Financial assets at fair value through profit or loss (FVTPL)

A financial asset that does not meet the criteria for classification at amortised cost or FVOCI is classified and measured at FVTPL. In addition, the Company may, at initial recognition, irrevocably designate a financial asset as measured at FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency ('accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets classified at FVTPL are measured at fair value at each reporting date, and all gains and losses (including interest income and dividend income) are recognised in the Statement of Profit and Loss.

D. Classification and Measurement of Financial Liabilities

i) Initial recognition and measurement

All financial liabilities are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of a financial liability (other than financial liabilities classified at FVTPL) are deducted from the fair value of the financial liability on initial recognition.

ii) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. The EIR amortisation is included within finance costs in the Statement of Profit and Loss. Financial liabilities classified at FVTPL (including derivative liabilities not designated as hedging instruments) are subsequently measured at fair value, with all changes recognised in the Statement of Profit and Loss.

3.03 Financial instrument - initial recognition and measurement (continued)

E. Reclassification of Financial Assets and Liabilities

The Company reclassifies financial assets when, and only when, there is a change in the business model for managing those financial assets. Such changes are expected to be very infrequent, are determined by the those charged with governance as a result of external or internal changes that are significant to the Company's operations and must be demonstrable to external parties. The Company does not reclassify a financial asset simply because of a change in the market environment.

When a reclassification occurs, the classification and measurement requirements applicable to the new category are applied prospectively from the first day of the first reporting period following the change in business model. Financial liabilities are never reclassified. The Company did not reclassify any of its financial assets or liabilities during the year ended March 31, 2026.

F. Derecognition of Financial Assets and Financial Liabilities

i) Derecognition of Financial Assets — Substantial Modification of Terms

The Company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan with the difference recognised as a derecognition gain or loss in the Statement of Profit and Loss (to the extent that an impairment loss has not already been recorded). The newly recognised financial asset is classified as Stage 1 for Expected Credit Loss ('ECL') measurement purposes, unless the Company has information that indicates otherwise.

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the present value of the change in cash flows discounted at the original EIR, the Company records a modification gain or loss in the Statement of Profit and Loss (to the extent that an impairment loss has not already been recorded). If such a modification is carried out because of financial difficulties of the borrower, the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income calculated using the EIR method.

ii) Derecognition of Financial Assets — Other than Substantial Modification

A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is derecognised when:

- the contractual rights to receive cash flows from the financial asset have expired; or
- the Company has transferred all the risks and rewards of ownership of the financial asset substantially; or the Company has neither transferred nor retained all the risks and rewards of ownership of the financial asset substantially, but has transferred control of the asset.

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

When the Company has neither transferred nor retained substantially all the risks and rewards and has also not transferred control of the asset, the Company continues to recognise the transferred asset only to the extent of its continuing involvement. In that case, the Company also recognises an associated financial liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Company could be required to repay.

iii) Assignment Transactions

The Company transfers loan assets through direct assignment transactions. The transferred (assigned) portion of the loan is derecognised, and gains or losses are recognised in the Statement of Profit and Loss, only if the Company transfers substantially all the risks and rewards of ownership as specified in the underlying loan contracts.

Gain or loss arising on such assignment transactions is recorded upfront in the Statement of Profit and Loss, and the corresponding loan asset is derecognised from the Balance Sheet on the date of assignment. Where the transfer qualifies for derecognition, the entire excess interest spread ('EIS'), being the present value of the future spread income (discounted over the estimated life of the assigned pool), is recognised on the date of derecognition as upfront interest income receivable and correspondingly presented as a gain or loss on derecognition of financial assets. Where the Company retains an obligation to service the transferred financial asset, it recognises either a servicing asset or a servicing liability, measured at fair value.

iv) Transfer of Stressed Loan Assets to Asset Reconstruction Companies (ARCs)

The Company transfers stressed loan assets to Asset Reconstruction Companies ("ARCs") in accordance with the applicable regulatory framework prescribed by the Reserve Bank of India. Such transfers are assessed for derecognition in accordance with the principles of Ind AS 109 – Financial Instruments. Where the transfer qualifies for derecognition, the transferred loan assets are derecognised from the Balance Sheet on the date of transfer. The consideration received, in the form of Security Receipts ("SRs"), is recognised at its fair value on the date of transfer and is subsequently measured in accordance with the Company's accounting policy for financial instruments.

Where the fair value of the Security Receipts exceeds the carrying amount of the stressed loan assets transferred, the resulting excess is not recognised as income in the Statement of Profit and Loss. Instead, the Company recognises a corresponding provision by adjusting the carrying amount of the Security Receipts, considering the uncertainty associated with the ultimate redemption of the SRs and the expected recoveries from the underlying assets. The provision is reviewed periodically and adjusted based on the valuation and redemption of the Security Receipts, in accordance with the applicable regulatory requirements and the Company's accounting policy.

v) Securitisation Transactions

In the case of securitisation transactions where the Company retains substantially all the risks and rewards of ownership of a portion of the transferred loan assets, the Company continues to recognise the entire pool of loans on the Balance Sheet and recognises a collateralised borrowing for the proceeds received. The loans and the corresponding borrowing continue to be measured in accordance with the relevant policies for financial assets at amortised cost and financial liabilities, respectively.

3.03 Financial instrument - initial recognition and measurement (continued)

vi) Write-Off

The gross carrying amount of a financial asset is written off (either partially or in full) when the Company has no reasonable expectation of recovering the asset. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to write-off. The decision to write off is made in accordance with the Company's Board-approved provisioning and write-off policy.

Where the amount to be written off exceeds the accumulated ECL allowance already recognised, the difference is recorded as an additional impairment charge in the Statement of Profit and Loss in the period of write-off. A write-off constitutes a derecognition event. Financial assets written off may still be subject to enforcement activities under the Company's recovery procedures. Any recoveries made subsequent to write-off are credited to impairment on financial instruments in the Statement of Profit and Loss in the period of recovery.

vii) Derecognition of Financial Liabilities

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

G. Modification of Financial Assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise altered between initial recognition and maturity. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. The introduction or adjustment of existing covenants constitutes a modification even if those covenants do not affect cash flows immediately but may do so contingently.

The Company evaluates whether the cash flows of the modified asset are substantially different from those of the original asset. The assessment considers both quantitative factors (using the present value of revised cash flows discounted at the original EIR compared to the carrying amount of the original asset) and qualitative factors (including a change in currency, the underlying obligor, and whether the instrument continues to meet the SPPI criterion).

If the cash flows are substantially different, the original financial asset is derecognised, and a new financial asset is recognised at fair value on the modification date, plus any eligible transaction costs. In this case:

- fees that are considered in determining the fair value of the new asset, or that represent reimbursement of eligible transaction costs, are included in the initial measurement of the new asset; and
- all other fees are included in profit or loss as part of the gain or loss on derecognition.

If the cash flows are not substantially different, the modification does not result in derecognition. The Company recalculates the gross carrying amount of the financial asset as the present value of the renegotiated or modified contractual cash flows, discounted at the original EIR. The resulting modification gain or loss is recognised in the Statement of Profit and Loss. If the modification is carried out because of financial difficulties of the borrower, the gain or loss is presented together with impairment losses; otherwise, it is presented as interest income using the EIR method. Any costs or fees incurred on a non-derecognition modification adjust the carrying amount of the modified financial asset and are amortised over the remaining term using the EIR method.

3.04 Impairment of financial assets

A. Overview of Expected Credit Loss ('ECL') principles

In accordance with Ind AS 109, the Company applies the ECL model to evaluate impairment of all financial assets that are not measured at Fair Value Through Profit or Loss ('FVTPL'). ECL is a probability-weighted estimate of credit losses, measured as the present value of the difference between the cash flows contractually due to the Company and the cash flows it expects to receive, discounted at the original Interest Rate of the financial asset.

The ECL allowance is recognised at an amount equal to:

i) 12-Month ECL: Expected credit losses that result from those default events that are possible within 12 months after the reporting date. This measurement applies to financial assets where there has been no significant increase in credit risk ('SICR') since initial recognition (Stage 1).

ii.) Lifetime ECL: Expected credit losses that result from all possible default events over the expected life of the financial asset. This measurement applies to financial assets where there has been a significant increase in credit risk since initial recognition (Stage 2) or that are credit-impaired (Stage 3).

A loss allowance for lifetime ECL is required when the credit risk on a financial instrument has increased significantly since initial recognition. For all other instruments, the ECL is measured at the 12-month ECL. Both 12-month and lifetime ECLs are generally calculated on a collective (portfolio) basis for homogeneous pools of loans, except where individual assessment is more appropriate.

Where the Company has undrawn loan commitments subject to impairment requirements, it estimates the expected portion of the commitment that will be drawn down over its expected life, and calculates the ECL on the basis of the present value of expected cash shortfalls if the loan is drawn down.

Based on the above, the Company categorises its loans and financial assets into Stage 1, Stage 2 and Stage 3, as described below and summarised in the table:

Stage	Days Past Due	ECL Measurement	Credit Risk Classification
Stage 1	Up to 30 DPD	12-Month ECL	No significant increase in credit risk since initial recognition (low credit risk).
Stage 2	31–90 DPD (or qualitative SICR triggers)	Lifetime ECL	Significant increase in credit risk since initial recognition.
Stage 3	More than 90 DPD	Lifetime ECL	Credit-impaired (defaulted) assets.

3.04 Impairment of financial assets (continued)

Stage 1:

When a financial asset is first recognised, the Company classifies it in Stage 1 and recognises a 12-month ECL allowance. Stage 1 also includes financial assets where the credit risk has subsequently improved, and the asset has been reclassified (upgraded) from Stage 2 or Stage 3, provided there is no other evidence of SICR. The Company recognises interest income on Stage 1 assets on the gross carrying amount using the EIR method.

Stage 2:

When a financial asset has shown a significant increase in credit risk since initial recognition, including, as a rebuttable presumption, all assets that are more than 30 days past due, the Company reclassifies it to Stage 2 and records a lifetime ECL allowance. Stage 2 also includes assets reclassified (upgraded) from Stage 3, where the credit risk has improved, but SICR relative to initial recognition still exists. The Company recognises interest income on Stage 2 assets on the gross carrying amount using the EIR method.

Stage 3:

Financial assets considered credit-impaired are classified in Stage 3. The Company defines default, and consequently Stage 3 classification, as contractual payments of principal and/or interest being past due for more than 90 days, as well as other indicators of credit impairment described in Section C below. The Company records a lifetime ECL allowance for all Stage 3 assets. Once a financial asset is in Stage 3, interest income is recognised on the net carrying amount (i.e., the gross carrying amount less the ECL allowance) using the EIR method. A financial asset classified as Stage 3 shall be considered for migration to Stage 1 only when the default/overdue amount relating to the financial asset has been fully recovered and the financial asset is no longer considered credit-impaired.

B. Calculation of ECLs

The ECL for a financial asset is calculated as the product of three key components: Probability of Default ('PD'), Exposure at Default ('EAD'), and Loss Given Default ('LGD'), discounted at an approximation to the original interest rate of the financial asset. The key elements are defined below.

Probability of Default ('PD'):

PD is an estimate of the likelihood of default over a given time horizon. For Stage 1 assets, the 12-month PD is used; for Stage 2 and Stage 3 assets, lifetime PDs are used. A default may only happen at a certain time over the assessed period, provided the facility has not been previously derecognised and remains in the portfolio. PDs are derived from historical default experience across homogeneous portfolios, adjusted for reasonable and supportable forward-looking information.

Exposure at Default ('EAD')

EAD is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest (whether scheduled by contract or otherwise), and accrued interest from missed payments. For Stage 3 assets, EAD represents the exposure at the time of default.

Loss Given Default ('LGD')

LGD is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive, including from the realisation of any collateral or credit enhancements. LGD is generally expressed as a percentage of EAD. LGD estimates reflect the Company's historical loss and recovery experience and take into account the type, seniority, and value of collateral, as well as the time value of money through the discounting of expected recoveries.

The Company calculates PD, EAD and LGD to determine the ECL allowance on the portfolio of financial assets, discounted at an approximation to the original interest rate of the financial asset. The PDs, EADs and LGDs are reviewed, and changes in forward-looking estimates are analysed. Impairment losses and releases are accounted for and disclosed separately from modification losses or gains.

C. Significant Increase in Credit Risk ('SICR')

The Company monitors all financial assets that are subject to impairment requirements at each reporting date to assess whether there has been a significant increase in credit risk since initial recognition. If a SICR has occurred, the loss allowance is measured at lifetime ECL.

In making this assessment, the Company compares the risk of a default occurring on the financial instrument at the reporting date (based on the remaining maturity of the instrument) with the risk of default that was estimated at initial recognition. The Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information, without incurring undue cost or effort.

3.04 Impairment of financial assets (Continued)

The following are indicators, among others, that the Company considers as evidence of a significant increase in credit risk:

(a) the financial asset is 30 or more days past due on contractual payments (this represents a rebuttable presumption under Ind AS 109, i.e., unless the Company has reasonable and supportable information demonstrating that the SICR criteria are not met);

(b) A stage 2 classification on one loan of a borrower results in all other loans of the same borrower being assessed for SICR (cross-default / borrower-level assessment); and

(c) Significant increase in credit risk in comparable instruments or in the borrower's industry or geographic segment.

The Company applies the low credit risk exemption where a financial instrument has a low credit risk at the reporting date; in such cases, it may be assumed that the credit risk has not increased significantly since initial recognition. The Company monitors the appropriateness of this exemption on an ongoing basis.

D. Definition of Default and Credit-Impaired Financial Assets

The definition of default is fundamental to the determination of ECL, as it is a component of the PD and is used to determine whether the loss allowance should be based on 12-month or lifetime ECL.

The Company considers a financial asset to be in default and consequently credit-impaired (Stage 3) when contractual payments of principal and/or interest are past due for more than 90 days ('quantitative backstop').

Loan accounts where principal and/or interest are past due for more than 90 days, along with all other loan accounts of that customer (cross-default), continue to be classified as Stage 3 until overdue amounts across all loan accounts are cleared. A Stage 3 financial asset is upgraded to Stage 1 only upon clearance of all overdue amounts and when there is no other evidence of credit impairment.

The Company's definition of default is applied consistently with the prudential norms prescribed under the Master Direction – Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025 (as amended from time to time), and is used consistently for regulatory reporting and the assessment of credit impairment under Ind AS 109.

E. Forward-Looking Information and Macroeconomic Factors

The Company incorporates forward-looking information in the measurement of expected credit losses ("ECL") in accordance with the requirements of Ind AS 109. The assessment considers current and forecast economic conditions that are expected to influence the probability of default and the expected recoverability of financial assets. Relevant macroeconomic indicators are selected based on their relevance to the Company's portfolio, historical relationship with credit performance and expected future economic outlook.

The Company uses forward-looking macroeconomic scenarios such as unemployment rate and GDP, including a base case and alternative upside and downside scenarios, to estimate ECL. Appropriate probability weights are assigned to each scenario based on management's assessment of the likelihood of their occurrence. The impact of these scenarios is incorporated into the estimation of probability of default and other credit risk parameters used in the ECL model. The assumptions, methodologies and macroeconomic overlays are reviewed at each reporting date and updated, where necessary, to reflect changes in economic conditions, portfolio characteristics and emerging credit risk trends.

3.05 Determination of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using a valuation technique. In estimating the fair value of an asset or liability, the Company takes into account the characteristics that market participants would consider when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair

For financial reporting purposes, fair value measurements are categorised into Level 1, Level 2 or Level 3 based on the observability and significance of the inputs used in the measurement, as follows:

Level 1: Inputs are unadjusted quoted prices in active markets for identical assets or liabilities to which the Company has access at the measurement date. A market is considered active only if transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis, and binding, exercisable price quotes are available at the reporting date.

Level 2: Inputs are observable, either directly or indirectly, other than quoted prices included within Level 1, and are significant to the fair value measurement in its entirety. Level 2 inputs include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; observable inputs other than quoted prices, such as interest rates, yield curves, implied volatilities and credit spreads; and inputs that are derived principally from or corroborated by observable market data over the entire period of the instrument's life.

Level 3: Inputs are unobservable and are significant to the fair value measurement in its entirety. Level 3 measurements are based on the best information available in the circumstances, which may include the Company's own internally developed data, and reflect assumptions that market participants would use when pricing the asset or liability.

Where inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, the fair value measurement is categorised in its entirety at the same level as the lowest level input that is significant to the measurement. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period in which the transfer occurs.

3.06 Foreign currency transactions and translations

Transactions in foreign currencies are initially recorded at the exchange rate prevailing at the date of the transaction. Where a transaction is recorded using an average rate, that rate is used only where it approximates the actual rate at the date of the transaction. At each reporting date, monetary assets and liabilities denominated in foreign currencies are retranslated at the closing exchange rate. Exchange differences arising on settlement or retranslation of monetary items are recognised in the Statement of Profit and Loss in the period in which they arise.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated using the exchange rate at the date the fair value was determined, with the resulting exchange difference recognised consistently with the gain or loss on the fair value remeasurement, that is, in the Statement of Profit and Loss or in Other Comprehensive Income, as applicable. Non-monetary assets and liabilities measured at historical cost in a foreign currency are translated at the exchange rate at the date of the original transaction and are not subsequently retranslated.

3.07 Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable costs of bringing the item to its working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located. If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Items of property, plant and equipment individually costing Rs. 5,000/- or less are not capitalised and are expensed to the Statement of Profit and Loss in the year of purchase. Any gain or loss arising on disposal of an item of property, plant and equipment is recognised in the Statement of Profit and Loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Company. All other subsequent expenditure is recognised in the Statement of Profit and Loss as incurred.

iii. Depreciation

Depreciation is calculated on the cost of items of property, plant and equipment less their estimated residual values, over their estimated useful lives using the Written Down Value ('WDV') method and is recognised in the Statement of Profit and Loss. Depreciation on additions is provided on a pro-rata basis from the date the asset is ready for use, and on disposals up to the date of disposal.

The estimated useful lives adopted by the Company are consistent with those prescribed under Part C of Schedule II to the Companies Act, 2013, except for leasehold improvements, which are depreciated over the lower of the lease period or 10 years/30 years (as the case may be). The useful lives are as follows:

Asset category	Estimated Useful life	Useful life as per Schedule II
Furniture and fittings	10 years	10 years
Vehicles	8 years	8 years
Office equipment	5 years	5 years
Computers and accessories	3 years	3 years
Leasehold improvements - HO	30 years	Not applicable
Leasehold improvements - Branch	Lower of Lease period or 10 years	Not applicable

Depreciation methods, useful lives and residual values are reviewed at the end of each financial year and adjusted prospectively, if appropriate.

3.08 Intangible assets

i. Goodwill

For the measurement of goodwill arising on a business combination, refer to Note 3.12. Subsequent to initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is not amortised but is tested for impairment annually or more frequently if events or changes in circumstances indicate that it may be impaired.

i. Other intangible assets

Intangible assets acquired by the Company are initially measured at cost. Such assets are subsequently measured at cost less accumulated amortisation and accumulated impairment losses, if any. Expenditure on internally generated goodwill and brands is recognised in the Statement of Profit and Loss as incurred.

ii. Subsequent expenditure

Subsequent expenditure on intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other subsequent expenditure is recognised in the Statement of Profit and Loss as incurred.

iii. Amortisation

Intangible assets are amortised on a straight-line basis over their estimated useful lives, from the date they are available for use, and are presented within depreciation and amortisation in the Statement of Profit and Loss. The estimated useful lives are as follows:

Asset category	Estimated Useful life
Computer software	5 years
Branch distribution network	5 years
Internally Generated Software	2 to 5 years

Amortisation methods, useful lives and residual values are reviewed at the end of each financial year and adjusted prospectively, if appropriate.

3.09 Employee benefits

i. Post-employment benefits

a) Defined contribution plan

The Company's contributions to provident fund, employee state insurance and other defined contribution schemes are recognised as an expense in the Statement of Profit and Loss as they fall due, based on the amount of contribution required to be made and when the services are rendered by the employees. The Company has no further obligation once the contributions have been paid.

b) Defined benefit plans - Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of its gratuity plan is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of the defined benefit obligation is performed annually by a qualified actuary using the Projected Unit Credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan (the 'asset ceiling'), taking into account any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, comprising actuarial gains and losses and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in the Balance Sheet with a corresponding debit or credit through Other Comprehensive Income in the period in which they occur. Remeasurements are not reclassified to the Statement of Profit and Loss in subsequent periods.

The net interest expense or income on the net defined benefit liability or asset is determined by applying the discount rate, used to measure the defined benefit obligation at the beginning of the annual period, to the opening net defined benefit liability or asset, adjusted for any changes during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to the defined benefit plan are recognised in the Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit relating to past service (past service cost or gain) or the gain or loss on curtailment is recognised immediately in the Statement of Profit and Loss. Gains and losses on settlement of a defined benefit plan are recognised in the Statement of Profit and Loss when the settlement occurs.

ii. Other long-term employee benefits - Compensated absences

Employees may carry forward a portion of unutilised accrued compensated absences for use in future service periods or receive cash compensation upon termination of employment. Since such compensated absences do not fall due wholly within twelve months after the end of the reporting period, the benefit is classified as a long-term employee benefit. The Company records an obligation for compensated absences in the period in which the employee renders services that increase this entitlement. The obligation is measured on the basis of an independent actuarial valuation using the Projected Unit Credit method. Remeasurement gains and losses are recognised in the Statement of Profit and Loss in the period in which they arise.

iii. Short-term employee benefits

Short-term employee benefits are expensed at the undiscounted amount expected to be paid in the period in which the related services are rendered. These benefits include performance incentives and compensated absences expected to occur wholly within twelve months after the end of the reporting period. The cost of short-term compensated absences is recognised as follows:

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

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

iv. Stock based compensation

The grant date fair value of equity-settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the vesting period being the period over which all specified vesting conditions are to be satisfied. The amount recognised as an expense reflects the best estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met. The cumulative expense recognised at each reporting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of awards that will ultimately vest. The impact of any revision to that estimate is recognised in the Statement of Profit and Loss with a corresponding adjustment to equity.

3.10 Leases

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

As a lessee

Recognition and Initial Measurement

The Company recognises a right-of-use ('ROU') asset and a corresponding lease liability at the lease commencement date for all leases.

The ROU asset is initially measured at cost, comprising:

(a) the initial amount of the lease liability;
(b) any lease payments made at or before the commencement date, less any lease incentives received;
(c) any initial direct costs incurred; and
(d) an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The lease liability is initially measured at the present value of lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. The incremental borrowing rate is determined by obtaining interest rates from external financing sources that reflect the terms of the lease and the type of asset leased.

Lease payments included in the measurement of the lease liability comprise:

(a) fixed payments, including in-substance fixed payments;
(b) variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
(c) amounts expected to be payable under a residual value guarantee; and
(d) the exercise price of a purchase option, if the Company is reasonably certain to exercise that option; lease payments in an optional renewal period, if the Company is reasonably certain to exercise an extension option; and penalties for early termination, unless the Company is reasonably certain not to terminate early.

Subsequent Measurement

The ROU asset is subsequently depreciated on a straight-line basis from the commencement date to the earlier of the end of the useful life of the asset or the end of the lease term. However, where the lease transfers ownership of the underlying asset to the Company by the end of the lease term, or the cost of the ROU asset reflects that the Company will exercise a purchase option, the ROU asset is depreciated over the useful life of the underlying asset on the same basis as property, plant and equipment. The ROU asset is also reduced by any impairment losses and adjusted for remeasurements of the lease liability.

The lease liability is subsequently measured at amortised cost using the effective interest method. The lease liability is remeasured when:

(a) there is a change in future lease payments arising from a change in an index or rate;
(b) there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee;
(c) the Company changes its assessment of whether it will exercise a purchase, extension or termination option; or
(d) there is a revision to an in-substance fixed lease payment.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the ROU asset. Where the carrying amount of the ROU asset has been reduced to zero, any further remeasurement is recognised in the Statement of Profit and Loss.

Presentation

The Company presents ROU assets as a separate line item on the face of the Balance Sheet. Lease liabilities are presented within borrowings or other financial liabilities, as appropriate.

Short-term leases

The Company has elected not to recognise ROU assets and lease liabilities for leases with a term of 12 months or less at the commencement date. Lease payments associated with such leases are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

3.11 Income tax

Income tax comprises current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to a business combination, or to an item recognised directly in equity or in Other Comprehensive Income, in which case the related tax is recognised in equity or Other Comprehensive Income, respectively.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received, after considering any uncertainty related to income taxes. Current tax is measured using tax rates and tax laws enacted or substantively enacted at the reporting date.

Current tax assets and current tax liabilities are offset only when there is a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

3.11 Income tax (continued)

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and unused tax credits.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, carried forward tax losses, and unused tax credits can be utilised. In the case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which the deferred tax asset can be realised.

Deferred tax assets, whether recognised or unrecognised, are reviewed at each reporting date. A previously unrecognised deferred tax asset is recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered. A previously recognised deferred tax asset is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of the related assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities, and when they relate to income taxes levied by the same tax authority on the same taxable entity, or on different taxable entities where the Company intends to settle current tax assets and liabilities on a net basis or expects to realise the asset and settle the liability simultaneously.

iii. Minimum Alternate Tax ("MAT")

Minimum Alternate Tax ('MAT') paid in accordance with the tax laws, which gives rise to future economic benefits in the form of tax credit against future income tax liability, is recognised as a deferred tax asset only when it is probable that the Company will pay normal income tax in future periods and thereby utilise the MAT credit within the period specified under the applicable tax laws. The MAT credit entitlement is reviewed at each reporting date and is reduced to the extent that it is no longer probable that the Company will pay normal income tax during the carry-forward period, with any such reduction recognised in the Statement of Profit and Loss.

3.12 Business combinations

In accordance with Ind AS 103, the Company accounts for these business combinations (other than those arising from common control) using the acquisition method when control is transferred to the Company. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exist clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction cost are expensed as incurred, except to the extent related to the issue of debt or equity securities.

Business combination arising from transfer of interests from entities under common control are accounted for as if the acquisition has occurred at beginning of the earliest comparative period or, if later, at the date that common control established; for this purpose comparative period of revised. The assets and liabilities are recognized at their carrying amounts. The identity of the reserves are preserved and they appear in the same form.

The accounting treatment of the business combinations undertaken by the Company during the year is set out in Notes 77 and 78 to these consolidated financial statements.

3.13 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, balances with banks in current and deposit accounts, and short-term, highly liquid investments with an original maturity of three months or less from the date of acquisition that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value. For the purposes of the Statement of Cash Flows, cash and cash equivalents are presented net of bank overdrafts, if any, that are repayable on demand and form an integral part of the Company's cash management.

3.14 Segment reporting:

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Company's Chief Operating Decision Maker ('CODM') in order to make resource allocation decisions and to assess performance, and for which discrete financial information is available.

The Company's CODM has been identified by the Board of Directors as Managing Director and Chief Executive Officer. Based on the management approach as defined in Ind AS 108, the CODM reviews the Company's performance and allocates resources based on an analysis of performance indicators at the entity level. Accordingly, the Company has determined that it operates as a single reportable segment. As the Company operates in a single business and geographical segment, no additional segment disclosures are required.

3.15 Earnings per share

Basic earnings per equity share is computed by dividing the net profit or loss after tax attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the reporting period.

Diluted earnings per equity share is computed by dividing the net profit or loss after tax attributable to equity shareholders, adjusted for the after-tax effect of expenses associated with dilutive potential equity shares, by the weighted average number of equity shares and dilutive potential equity shares outstanding during the reporting period. Dilutive potential equity shares are deemed to have been converted as at the beginning of the period, unless issued at a later date. Potential equity shares are treated as dilutive only when their conversion to equity shares would decrease earnings per share or increase loss per share from continuing ordinary operations.

In computing diluted earnings per share, only potential equity shares that are dilutive and that do not increase earnings per share or decrease loss per share are included.

3.16 Provisions, Contingent Liabilities and Contingent Assets

Provisions

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of a past event, 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. Where the effect of the time value of money is material, provisions are measured at the present value of the expenditure expected to be required to settle the obligation, discounted at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The unwinding of the discount is recognised as a finance cost in the Statement of Profit and Loss. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Expected future operating losses are not provided for.

Contingent Liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognised in the consolidated financial statements but are disclosed in the notes unless the possibility of an outflow of resources is remote.

Contingent Assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognised in the consolidated financial statements. However, when the inflow of economic benefits is probable, the contingent asset is disclosed in the notes to the consolidated financial statements. When the realisation of income is virtually certain, the related asset is no longer contingent and is recognised in the consolidated financial statements.

3.17 Cash flow statement

The Statement of Cash Flows is prepared using the indirect method, whereby profit before tax is adjusted for the effects of non-cash transactions, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows. Cash flows from operating, investing and financing activities are presented separately. Taxes paid are classified as operating cash flows unless they can be specifically identified with financing or investing activities.

3.18 Derivative Financial Instruments and Hedge Accounting

a) Derivative Financial Instruments

The Company enters into derivative financial instruments, including Cross Currency Interest Rate Swaps ('CCIRS') and Cross Currency Swaps ('CCS'), to manage its exposure to foreign currency risk and interest rate risk arising primarily from foreign currency borrowings. The Company does not enter into derivative contracts for speculative or trading purposes.

Derivative financial instruments are initially recognised at fair value on the date on which the derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. A derivative with a positive fair value is recognised as a financial asset; a derivative with a negative fair value is recognised as a financial liability. The resulting gain or loss is recognised in the Statement of Profit and Loss immediately, unless the derivative is designated as a hedging instrument and qualifies for hedge accounting, in which case the timing of recognition in the Statement of Profit and Loss depends on the nature of the hedge relationship.

3.18 Derivative Financial Instruments and Hedge Accounting (continued)

b) Hedge Accounting

The Company applies hedge accounting for transactions that meet the specified criteria under Ind AS 109. At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship, the risk management objective and strategy for undertaking the hedge, the hedging instrument, the hedged item, the nature of the risk being hedged, the hedge ratio, and the method by which the Company will assess hedge effectiveness. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows and are assessed on an ongoing basis to confirm that they have been highly effective throughout the reporting periods for which they were designated.

c) Cash Flow Hedges

A cash flow hedge is a hedge of the exposure to variability in cash flows attributable to a particular risk associated with a recognised asset or liability, or a highly probable forecast transaction, that could affect the Statement of Profit and Loss. The effective portion of the cumulative gain or loss on the hedging instrument is recognised in Other Comprehensive Income and accumulated in equity under the cash flow hedge reserve. The ineffective portion is recognised immediately in the Statement of Profit and Loss. When the hedged cash flow affects the Statement of Profit and Loss, the accumulated effective portion is reclassified to the corresponding income or expense line. Where the hedged forecast transaction results in the recognition of a non-financial asset or liability, amounts previously recognised in Other Comprehensive Income are transferred and included in the initial cost of that asset or liability.

Hedge accounting is discontinued when the hedging instrument expires, is sold, terminated or exercised, or when the hedge no longer qualifies. Amounts accumulated in the cash flow hedge reserve are reclassified to the Statement of Profit and Loss when the forecast transaction ultimately affects profit or loss. If the forecast transaction is no longer expected to occur, the accumulated amount is recognised immediately in the Statement of Profit and Loss.

3.19 Impairment of Non-Financial Assets

The Company assesses at each reporting date whether there is any indication that a non-financial asset may be impaired. If any such indication exists, or when annual impairment testing is required for an asset, the Company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. Value in use is calculated as the present value of estimated future cash flows expected to be derived from the asset, discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The impairment loss is recognised in the Statement of Profit and Loss.

At each reporting date, the Company also assesses whether there is any indication that an impairment loss recognised in a prior period may no longer exist or may have decreased. If such indication exists, the recoverable amount is re-estimated, and the impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised in prior periods. Such reversal is recognised in the Statement of Profit and Loss. Impairment losses relating to goodwill are not reversed.

3.20 Recent Accounting Pronouncements

a) Lack of exchangeability – Amendments to Ind AS 21

MCA via notification dated 7 May 2025, announced amendments to Ind AS 21, The Effects of Changes in Foreign Exchange Rates, to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

b) Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - Amendments to Ind AS 1

MCA via notification dated 13 August 2025 announced amendments to Ind AS 1, Presentation of Financial Statements, which elaborate on guidance set out in Ind AS 1 by:

* clarifying that the right to defer settlement of a liability for at least 12 months after the reporting period; a) must have substance, and b) must exist at the end of the reporting period;
* stating that management's expectations around whether the settlement of a liability would be deferred or not, does not impact the classification of the liability;
* including requirements for liabilities that can be settled using an entity's own instruments; and
* stating that at the reporting date, the entity does not consider covenants that will need to be complied with in the future when considering the classification of the debt as current or non-current

In addition, an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

These amendments do not have any impact on these consolidated financial statements

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4 Cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Cash and cash equivalents		
Cash on hand	86.28	258.63
Balances with banks		
- in current accounts	13,052.08	16,274.45
- in deposit accounts (Original maturity less than three months)	2,068.26	10,636.59
Total	**15,206.62**	**27,169.66**

Note: Balance with Banks in current accounts includes balance in Cash Credit accounts with banks as of 31st March 2026: Rs.7.97 Lakhs and 31st March 2025**:** Rs**.**8.02 Lakhs

5 Bank balance other than cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Deposit accounts under lien*	9,493.99	9,158.71
Deposit accounts without lien	19.71	76.81
Total	**9,513.70**	**9,235.52**

***Note:**

(i) Fixed deposit includes cash collateral amounting to Rs.4938.94 Lakhs (March 31, 2025 : Rs.3,546.16 Lakhs) for securitisation transactions.

(ii) Balance fixed deposits other than those mentioned above has been provided as security for loans taken by the company.

6 Receivables

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables	189.22	313.38
Less: Impairment loss allowance (receivables)	(22.40)	(35.16)
Total	**166.82**	**278.22**

6.1 Receivables ageing schedule as on March 31, 2026

Particulars	< 6 months	6 months - 1 year	1-2 years	2-3 years	Total
(i) Undisputed – considered good	137.14	6.52	18.10	5.06	166.82
(ii) Undisputed – have significant credit risk	-	-	-	-	-
(iii) Undisputed – credit impaired	-	-	-	-	-
(iv) Disputed –considered good	-	-	-	-	-
(v) Disputed – have significant credit risk	-	-	-	-	-
(vi) Disputed – credit impaired	-	-	2.07	20.33	22.40
Trade Receivables	**137.14**	**6.52**	**20.17**	**25.39**	**189.22**
Less: Impairment loss allowance (receivables)	-	-	(2.07)	(20.33)	(22.40)
Total	**137.14**	**6.52**	**18.10**	**5.06**	**166.82**

6.2 Receivables ageing schedule as on March 31, 2025

Particulars	< 6 months	6 months - 1 year	1-2 years	2-3 years	Total
(i) Undisputed – considered good	261.02	12.18	3.14	1.88	278.22
(ii) Undisputed – have significant credit risk	-	-	-	-	-
(iii) Undisputed – credit impaired	-	-	-	-	-
(iv) Disputed –considered good	-	-	-	-	-
(v) Disputed – have significant credit risk	-	-	-	-	-
(vi) Disputed – credit impaired	-	-	34.70	0.46	35.16
Trade Receivables	**261.02**	**12.18**	**37.84**	**2.34**	**313.38**
Less: Impairment loss allowance (receivables)	-	-	(34.70)	(0.46)	(35.16)
Total	**261.02**	**12.18**	**3.14**	**1.88**	**278.22**

7 Loans

Particulars	As at March 31, 2026			As at March 31, 2025		
	At amortised cost	At fair value through	Total	At amortised cost	At fair value through OCI	Total
A Based on nature						
Term Loans						
Gross term loans	145,835.58	34,258.84	180,094.42	131,627.18	56,597.66	188,224.84
Less: Impairment loss allowance	(4,867.07)	(195.73)	(5,062.80)	(10,181.54)	(301.49)	(10,483.03)
Net term loans	**140,968.51**	**34,063.11**	**175,031.62**	**121,445.64**	**56,296.17**	**177,741.81**
B Based on security						
Secured by tangible assets*	2,299.36	-	2,299.36	902.95	-	902.95
Unsecured	143,536.22	34,258.84	177,795.06	130,724.23	56,597.66	187,321.90
Gross term loans	**145,835.58**	**34,258.84**	**180,094.42**	**131,627.18**	**56,597.66**	**188,224.84**
Less: Impairment loss allowance	(4,867.07)	(195.73)	(5,062.80)	(10,181.54)	(301.49)	(10,483.03)
Net term loans	**140,968.51**	**34,063.11**	**175,031.62**	**121,445.64**	**56,296.17**	**177,741.81**
C Based on region						
Loans in India						
Public sector	-	-	-	-		
Others	145,835.58	34,258.84	180,094.42	131,627.18	56,597.66	188,224.84
Less: Impairment loss allowance	(4,867.07)	(195.73)	(5,062.80)	(10,181.54)	(301.49)	(10,483.03)
Loans outside India	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-
Net term loans	**140,968.51**	**34,063.11**	**175,031.62**	**121,445.64**	**56,296.17**	**177,741.81**

Note:
*Secured exposures are secured by way of equitable mortgage of property and physical gold.

8 Investments

Particulars	As at March 31, 2026	As at March 31, 2025
At Fair Value through P&L		
Investment in Mutual Fund Liquid fund	-	88.30
Investment In ARC SR - CFM ARC TRUST	11,282.27	-
Investment in pass-through certificates (unquoted)		
Akara Capital Advisors Private Limited	-	1,874.72
Total Investments	**11,282.27**	**1,963.02**
(i) Investments outside India	-	-
(ii) Investments in India	11,282.27	1,963.02
Total Investments	**11,282.27**	**1,963.02**

9 Other financial assets

Unsecured, considered good (At Amortised Cost)

Particulars	As at March 31, 2026	As at March 31, 2025
Security deposits	264.14	158.19
Unbilled revenue	171.66	101.44
Employee advances	101.00	114.14
Other's	784.96	1,321.29
Total	**1,321.76**	**1,695.06**

(All amounts are in Indian Rupees in Lakhs, except share data and as stated)

10 Property, plant and equipment

Particulars	Computers and Accessories	Furniture and fittings	Leasehold improvements	Office equipment	Vehicles	Total
Carrying amount						
As at March 31, 2024	**749.32**	**45.40**	**476.51**	**668.58**	**0.95**	**1,940.76**
Additions	330.07	2.75	88.45	171.11	-	592.38
Deletions	(6.97)	(33.13)	(1.737)	(59.59)	(0.44)	(101.87)
As at March 31, 2025	**1,072.42**	**15.02**	**563.23**	**780.10**	**0.51**	**2,431.27**
Additions	70.81	3.02	115.90	80.78	-	270.51
Deletions	(121.56)	-	-	(89.22)	-	(210.78)
As at March 31, 2026	**1,021.67**	**18.04**	**679.13**	**771.66**	**0.51**	**2,491.01**
Accumulated depreciation						
As at March 31, 2024	**540.02**	**25.76**	**311.64**	**462.50**	**0.76**	**1,340.67**
Depreciation for the year	246.99	12.61	62.28	133.12	0.17	455.16
Deletion	(6.62)	(30.68)	(1.65)	(57.01)	(0.44)	(96.41)
As at March 31, 2025	**780.38**	**7.69**	**372.27**	**538.60**	**0.48**	**1,699.42**
Depreciation for the period	106.25	2.22	65.54	125.22	-	299.23
Deletion	(33.14)	-	-	(79.63)	-	(112.77)
As at March 31, 2026	**853.49**	**9.91**	**437.81**	**584.19**	**0.48**	**1,885.88**
Carrying amount (net)						
As at March 31, 2025	**292.04**	**7.33**	**190.96**	**241.50**	**0.03**	**731.85**
As at March 31, 2026	**168.18**	**8.12**	**241.32**	**187.47**	**0.03**	**605.13**

10A Intangible Assets

Particulars		Other intangible assets				
		Goodwill	**Internally Generated Software**	**Branch Distribution Network**	**Computer Software**	**Total**
Carrying amount		**-**	**-**	**-**		
As at March 31, 2024		**227.88**	**139.08**	**2,221.00**	**598.91**	**2,958.99**
Additions		-	180.01	-	-	180.01
Deletions		-	-	-	-	-
As at March 31, 2025		**227.88**	**319.09**	**2,221.00**	**598.91**	**3,139.00**
Additions		-	119.09	-	-	119.09
Deletions		-	**(47.01)**	**-**	(136.25)	(183.26)
As at March 31, 2026		**227.88**	**391.18**	**2,221.00**	**462.66**	**3,074.83**
Accumulated amortisation						
As at March 31, 2024		**-**	**15.55**	**531.50**	**533.59**	**1,080.64**
Amortisation for the year		-	58.10	444.20	28.63	530.93
Deletion		**-**	**-**	**-**	**-**	-
As at March 31, 2025		**-**	**73.65**	**975.70**	**562.22**	**1,611.57**
Amortisation for the period			93.32	444.33	17.11	554.76
Deletion		-	(23.53)	-	(116.67)	(140.21)
As at March 31, 2026		**-**	**143.44**	**1,420.03**	**462.66**	**2,026.12**
Carrying amount (net)						
As at March 31, 2025	**-**	**227.88**	**245.45**	**1,245.30**	**36.68**	**1,755.31**
As at March 31, 2026	**-**	**227.88**	**247.74**	**800.97**	**-0.00**	**1,276.59**

(All amounts are in Indian Rupees in Lakhs, except share data and as stated)

10B Right of use assets ('ROUA')

Particulars	Office premises
Carrying amount	
As at March 31, 2024	**2,040.34**
Additions	431.15
Deletions	-
As at March 31, 2025	**2,471.49**
Additions	174.49
Deletions	(200.00)
As at March 31, 2026	**2,445.98**
Accumulated depreciation	
As at March 31, 2024	**966.95**
Depreciation for the year	377.18
Deletion	-
As at March 31, 2025	**1,344.13**
Depreciation for the year	402.98
Deletion	-
As at March 31, 2026	**1,747.11**
Carrying amount (net)	
As at March 31, 2025	**1,127.36**
As at March 31, 2026	**698.87**

10C Intangible asset under development

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	83.19	59.05
Add: Cost incurred during the year	198.38	249.15
Less: The amount capitalised during the year	119.09	225.01
Closing balance	**162.48**	**83.19**

Ageing

Particulars	<1 year	1-2 years	2-3 years	>3 years	Total
Projects in progress	92.29	70.19	-	-	**162.47**
Projects temporarily suspended	-	-	-	-	-
As at March 31, 2026	**92.29**	**70.19**	-	-	**162.47**

Particulars	<1 year	1-2 years	2-3 years	>3 years	Total
Projects in progress	74.94	8.25	-	-	**83.19**
Projects temporarily suspended	-	-	-	-	-
As at March 31, 2025	**74.94**	**8.25**	-	-	**83.19**

11 Other non-financial assets (at amortised cost)
Unsecured, considered good.

Particulars	As at March 31, 2026	As at March 31, 2025
Capital advances	22.32	30.73
Balances with government authorities	590.34	587.23
Prepaid expenses	982.60	397.15
Advance to vendors	63.26	138.08
Total	**1,658.51**	**1,153.19**

12 Derivative financial instruments

Particulars	As at March 31, 2026	As at March 31, 2025
Currency derivatives		
Cross currency interest rate swaps	7,189.77	691.26
Cross currency swaps	666.94	(16.51)
Total	**7,856.71**	**674.75**

13 Trade Payables

Particulars	As at March 31, 2026	As at March 31, 2025
Trade Payables		
(i) Total outstanding dues of micro enterprises and small enterprises	-	5.55
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	406.88	417.43
Total	**406.88**	**422.98**

13.1 Trade payables ageing schedule as on March 31, 2026

Particulars	Outstanding for following periods from due date of payment				
	< 1 year	1-2 years	2-3 years	>3 years	Total
(i) MSME - Undisputed dues	-	-	-	-	-
(ii) Others - Undisputed dues	406.88	-	-	-	406.88
(iii) MSME - Disputed dues	-	-	-	-	-
(iv) Others - Disputed dues	-	-	-	-	-
	406.88	-	-	-	**406.88**

* Trade payable includes unbilled dues amounting to Rs. 478.03 lakhs as at March 31, 2026.

13.2 Trade payables ageing schedule as on March 31, 2025

Particulars	Outstanding for following periods from due date of payment				
	< 1 year	1-2 years	2-3 years	>3 years	Total
(i) MSME - Undisputed dues	5.55	-	-	-	5.55
(ii) Others - Undisputed dues	417.43	-	-	-	417.43
(iii) MSME - Disputed dues	-	-	-	-	-
(iv) Others - Disputed dues	-	-	-	-	-
Total	**422.98**	**-**	**-**	**-**	**422.98**

* Trade payable includes unbilled dues amounting to Rs. 416.89 lakhs as at March 31, 2025.

14 Debt securities

Particulars	As at March 31, 2026	As at March 31, 2025
At amortised cost:		
Secured debentures		
Redeemable, non-convertible debentures		
- from others	39,884.39	38,468.90
- from related parties (Refer Note 42)	65.00	75.00
Secured Bonds		
- from others parties	17,061.50	15,905.44
Unsecured debentures		
Redeemable, non-convertible debentures	1,539.22	4,019.90
Total	**58,550.10**	**58,469.24**
Debt securities in India	9,228.86	9,159.58
Debt securities outside India	49,321.24	49,309.66
Subtotal	**58,550.10**	**58,469.24**

14 Debt securities (continued)

(A) Debt securities - Secured - Redeemable non-convertible debentures (NCDs) - Others

Particulars	Listed/ Unlisted	Rate of Interest	Repayment Type	Tenor (years)	As at March 31, 2026	As at March 31, 2025
174 units (March 31, 2025 : 236 units) redeemable non-convertible debentures of Rs. 1 lakhs each	Unlisted	12.5% - 13.5%	Bullet Principal and Monthly Interest	2-4 Years	188.63	245.03
55 units (March 31, 2025 : 292 units) redeemable non-convertible debentures of Rs. 1 lakhs each	Unlisted	12.5% - 13%	Bullet Principal and Interest	2-4 Years	77.95	380.15
Nil units (March 31,2025 :1500 units) redeemable non-convertible debentures of Rs. 1 Lakh each	Unlisted	13.75%	Monthly Principal and Monthly Interest	2 Years	-	260.87
2500 units (March 31,2025 :2500 units) redeemable non-convertible debentures of Rs.1 Lakhs each	Unlisted	13.50%	Monthly Interest and Half Yearly Principal till Mar-25 and there on Monthly	2-3 Years	150.00	1,967.31
50000 units (March 31,2025:50000 units) redeemable non-convertible debentures of Rs. 10,000 each	Listed	11.00%	Quarterly Principal and Monthly Interest	2 Year	1,877.16	4,381.29
45100- units (March 31,2025 355 units) redeemable non-convertible debentures of Rs. 1 lakhs each	Listed	11% - 15.00%	Bullet Principal and Monthly Interest	2-3 Years	4,588.40	1,275.71
4888 units (March 31,2025:4888units)redeemable non-convertible debentures of Rs. 1 Lakhs each	Listed	12.79%	Bullet Principal and Semi -Annual Interest	3 Years	4,888.00	4,908.57

14 Debt securities (continued)

(A) Debt securities - Secured - Redeemable non-convertible debentures (NCDs) - Others (continued)

Nil units (March 31, 2025: 40 units) redeemable non-convertible debentures of Rs. 1 crore each	Unlisted	13.5% - 15%	Monthly Principal and Interest	2 - 2.5 Years	-	653.33
7,496 units (March 31, 2025 :1214 units) redeemable non-convertible debentures of Rs. 10 lakhs each	Listed	10.50% - 12.90%	Bullet Principal and Quarterly Interest	3 - 4 Years	7,493.15	5,964.58
6600000 units (March 31, 2025: 6600000) redeemable non-convertible debentures of Rs. 100 each	Unlisted	13.50%	Bullet Principal and Quarterly Interest	3 -4 Years	6,600.00	6,675.67
-12011 units (March 31, 2025 : 12011 units) redeemable non-convertible debentures of Rs. 1 lakhs each	Listed	13.60%	Bullet Principal and Quarterly Interest	3.83 Years	11,939.45	12,149.74
-25000 units (March 31, 2025 : 0 units) redeemable non-convertible debentures of Rs. 1 lakhs each	Listed	11.00%	Yearly Principal and Monthly Interest	3 Years	2,502.35	-
-155 units (March 31, 2025 : 0 units) redeemable non-convertible debentures of Rs. 1 lakhs each	Listed	12.50%-12.75%	Bullet Principal and Interest	3 Years	191.53	-
Less : Unamortised Processing Fees					(612.22)	(393.35)
Total					**39,884.39**	**38,468.90**

14 Debt securities (continued)

(B) Debt securities - Secured - Redeemable non-convertible debentures (NCDs) from Related Parties

Particulars	**Listed/ Unlisted**	**Rate of Interest**	**Repayment Type**	**Tenor**	**As at March 31, 2026**	**As at March 31, 2025**
55 units (March 31, 2025 : 45 units) redeemable non-convertible debentures of Rs. 1 lakhs each	Unlisted	12.5% - 13%	Bullet Principal and Monthly Interest	3 Years	55.00	45.00
Nil units (March 31, 2025 : 20 units) redeemable non-convertible debentures of Rs. 1 lakhs each	Unlisted	12.5% - 13%	Bullet principal and Interest	3 Years	-	20.00
10 units (March 31, 2025 : 10 units) redeemable non-convertible debentures of Rs. 1 lakhs each	Listed	12.75%	Bullet principal and Monthly Interest	3 Years	10.00	10.00
Total					**65.00**	**75.00**

Notes:

a) NCDs are secured by specific charge on loans in favour of the Trustee for the benefit of the debenture holders. The Company needs to maintain 1 to 1.2 times of security cover for the outstanding NCDs at any point of time.

b) Interest for the above NCDs are payable on monthly/quarterly/half yearly/yearly/bullet basis.

(C) Debt securities - Secured Bonds - from other parties

Particulars	Listed/ Unlisted	Rate of Interest	Repayment Type	Tenor	**As at March 31, 2026**	**As at March 31, 2025**
1800 units (March 31, 2025: 1800) Secured bonds from Other parties of USD 10,000 each	Listed	11.50% - 12.50%	Bullet principal and Semi annual Interest	3 Years	**17,065.80**	**15,917.66**
Less: Unamortised processing fees					**(4.30)**	**(12.22)**
Total					**17,061.50**	**15,905.44**

14 Debt securities (continued)

(D) Debt securities - Unsecured - Redeemable non-convertible debentures

Particulars	Listed/ Unlisted	Rate of Interest	Repayment Type	Tenor	As at March 31, 2026	As at March 31, 2025
2200 units (March 31, 2025:2200 units) redeemable non-convertible debentures of Rs. 1,00,000 each	Listed	14.50%	Yearly Principal and Monthly Interest	3 Years	1,540.10	2,213.98
Nil units (March 31, 2025 -180 units) redeemable non-convertible debentures of Rs. 10,00,000/- each	Unlisted	14.50%	Bullet principal and Monthly interest	3 Years	-	1,814.09
Less: Unamortised processing fees					(0.88)	(8.18)
Total					**1,539.22**	**4,019.90**

15 Borrowings (Other than debt securities) (also refer note 4)

Particulars	As at March 31, 2026	As at March 31, 2025
Measured at amortised cost		
Secured borrowings		
Term Loan from banks	16,039.91	29,672.61
Term Loan from others	16,764.52	16,077.39
Securitization borrowings	36,196.28	19,315.92
External commercial borrowings	35,564.73	36,780.31
Loan repayable on demand		
from banks	-	908.99
Total	**104,565.44**	**102,755.21**
Borrowings in India	69,000.71	65,974.90
Borrowings outside India	35,564.73	36,780.31
Subtotal	**104,565.44**	**102,755.21**

Borrowings (Other than debt securities) (continued)

a) The Borrowings have not been guaranteed by Director or others as at March 31, 2026 and as at March 31, 2025

b) The Company has borrowings from banks & FIs on the basis of security of Loans disbursed and the quarterly returns / statements of book debts filed with banks are in agreement with books of accounts as at March 31, 2026 and as at March 31, 2025.

c) The company has used the borrowings from banks and FIs for the specific purpose for which they were taken as at March 31, 2026 and as at March 31, 2025

d) There were no delays in repayment of borrowings as at March 31, 2026 and as at March 31, 2025

e) No Bank or Lender has declared the company as wilful defaulter as at March 31, 2026 and as at March 31, 2025

f) All charges / satisfaction of charges are registered with Registrar of Companies within statutory period as at March 31, 2026 and as at March 31, 2025

g) The Company has not classified any of its borrowings as immediately due during the year due to breach of covenants since the management is confident that there will not be any recall of such loans based on their discussion with lenders as at March 31, 2026 and as at March 31, 2025

15 Borrowings (Other than debt securities) (continued)

A) Term Loans from Banks:

Repayment Type	Rate of Interest	Tenor (years)	As at March 31, 2026	As at March 31, 2025
Monthly principal and Monthly Interest	12.45% - 13.00%	4 years	1,613.95	955.56
Monthly principal and Monthly Interest	11.75% - 13.00%	3 years - 4 years	8,687.83	9,360.99
Quarterly principal and Monthly Interest	11.75% - 12.85%	2 years - 3 years	4,319.37	15,653.27
Monthly principal and Monthly Interest	11.00% - 13.75%	2 years	1,550.46	3,885.67
Less: Unamortised Processing fees			(131.70)	(182.88)
Total			**16,039.91**	**29,672.61**

Notes:

All the above borrowings are secured by specific charge on the company's Loan assets . The Company needs to maintain a security cover ranging from 1.1 to 1.33 times of the outstanding amount at any point of time. Further, the Company has given cash collateral amounting to Rs. 5741.97 lakhs (March 31, 2025: Rs. 4498.34 lakhs) for the borrowings undertaken.

B) Term Loans from others:

Repayment Type	Rate of Interest	Tenor (years)	As at March 31, 2026	As at March 31, 2025
Monthly principal and Monthly interest	12.90% - 14.50%	3 Years	1,215.96	2,782.92
Yearly principal and Monthly interest	13.00%	3 Years	2,000.00	3,004.27
Monthly principal and Monthly interest	12.70% to 15.95%	2 years - 3 years	48.35	1,330.80
Monthly principal and Monthly interest	11.00% - 15.00%	2 Years	4,928.27	8,990.98
Monthly principal and Monthly interest	13.50% - 14.70%	1 year - 2 years	8,495.65	-
Monthly principal and Monthly interest	14.50%	< 1 year	253.09	-
Less: Unamortised processing fees			(176.80)	(31.58)
Total			**16,764.52**	**16,077.39**

Notes:

All the above borrowings are secured by specific charge on the company's loan assets . The Company needs to maintain a security cover ranging from 1.05 to 1.25 times of the outstanding loan amount at any point of time.Further, the Company has given cash collateral amounting to Rs. Nil (March 31, 2025: Rs. 55.42 lakhs) for the borrowings undertaken.

15 Borrowings (Other than debt securities) (continued)

(C) Securitization borrowings

Repayment Type	Rate of Interest	Tenor (years)	As at March 31, 2026	As at March 31, 2025
Monthly principal and Monthly interest	12.00% - 13.26%	1 year - 2 years	11,015.17	19,344.18
Monthly principal and Monthly interest	11.25% - 13.37%	2 years - 3 years	13,302.46	-
Monthly principal and Monthly interest	11.50% - 13.00%	3 years - 4 years	12,462.64	-
Less: Unamortised Processing Fee			(583.99)	(28.26)
Total			**36,196.28**	**19,315.92**

(D) External Commercial Borrowings

Repayment Type	Rate of Interest	Tenor (years)	As at March 31, 2026	As at March 31, 2025
Bullet principal and Half yearly interest	12.20% - 12.65%	3 years	10,610.19	8,840.49
Bullet principal and Half yearly interest	12.59%	4 years	4,718.10	6,199.59
Yearly principal and Half yearly interest	11.70%	4 years	7,078.74	6,291.67
Bullet principal and Half yearly interest	12.45%	5 years	13,323.94	15,778.17
Less: Unamortised processing fees			(166.24)	(329.61)
Total			**35,564.73**	**36,780.31**

Notes:

a) All the above loans are secured by specific charge on loans.

b) Interest rates are floating and are payable and half-yearly basis. The interest rates disclosed above represent the rates of interest as at March 31, 2026. The company has further hedged this interest risk.

(E) Loan repayable on demand:

Repayment Type	Rate of Interest	Tenor (years)	As at March 31, 2026	As at March 31, 2025
From banks				
Bullet principal and Monthly interest	12.55%	1 years	-	908.99
Total			**-**	**908.99**

Notes:

a) All the above borrowings from banks are secured by specific charge on the company's loan assets and cash collateral.

b) The company needs to maintain a security cover 1.25 times of the outstanding amount at any point of time. Further, the company has given cash collateral amounting to Rs. Nil (March 31, 2025: Rs. 578.90 lakhs).

15a Subordinated Liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured		
Debentures	5,907.05	1,907.98
Subordinated Term Loan from banks	-	1,520.38
Subordinated Term Loan from others	10,931.77	10,288.42
0.001% Compulsorily convertible cumulative preference shares	2,627.98	-
Total	**19,466.80**	**13,716.78**
Subordinated Liabilities in India	19,466.80	13,716.78
Subordinated Liabilities outside India	-	-
Subtotal	**19,466.80**	**13,716.78**

15a Subordinated Liabilities (continued)

(A) Unsecured Debentures

Particulars	Repayment Type	Rate of Interest	Tenor (years)	As at March 31, 2026	As at March 31, 2025
2000 units(March 31 ,2025:2000Units) - Non-convertible debentures of Rs. 100,000 each	Bullet principal and Monthly Interest	12.5% - 18.5%	5 years	2,001.35	2,002.35
4250 units (March 31, 2025: Nil units) Non-convertible debentures of Rs. 100,000 each	Bullet principal and Half Yearly Interest	14.50%	10 years	4,250.00	-
Less: Unamortised processing fees				(344.30)	(94.37)
Total				5,907.05	1,907.98

(B) Subordinated term loans - from banks

Particulars	Repayment Type	Rate of Interest	Tenor (years)	As at March 31, 2026	As at March 31, 2025
From banks	Bullet principal	16.00%	7 years	-	1,520.38
Less: Unamortised processing fees				-	-
Total				**-**	**1,520.38**

(C) Subordinated term loans - from others

Particulars	Repayment Type	Rate of Interest	Tenor (years)	As at March 31, 2026	As at March 31, 2025
From others	Bullet principal and Monthly Interest	15.25%	6 years	1,500.00	1,502.51
	Half-yearly principal and Half yearly interest	13.35% -14.90	6-7 Years	4,740.50	8,846.65
	Bullet principal and Semi Annual Interest	13.35%	6 Years	4,740.50	-
Less: Unamortised processing fees				(49.23)	(60.74)
Total				**10,931.77**	**10,288.42**

Notes:

During the year ended March 31, 2026 and March 31, 2025, none of the Company's subordinated liabilities were classified as immediately due. While certain covenant-related matters were identified during the year, the respective lenders did not require immediate repayment, and accordingly, the subordinated liabilities continued to be classified in accordance with their contractual

(D) Compulsorily convertible cumulative preference shares

Particulars	Repayment Type	Rate of Interest	Tenor (years)	As at March 31, 2026	As at March 31, 2025
0.001% Compulsorily convertible cumulative preference shares	-	0.001%	2.5 Years	2,627.98	-
Less: Unamortised processing fees				-	-
Total				**2,627.98**	**-**

*During the year ended March 31, 2026, the Company, on a private placement basis, allotted 6,89,304 Series 2 Compulsorily Convertible Preference Shares ('Series 2 CCPS') of face value Rs. 100 each at a premium of Rs. 310 per share. The Series 2 CCPS are compulsorily convertible into Equity Shares on or before 31 December 2027, with the conversion price to be determined based on the Company's ROE for FY 2026-27, subject to the agreed formula.

(All amounts are in Indian Rupees in Lakhs, except share data and as stated)

15b Breach of Covenants:

S. No.	Lender	Covenant Sub Heading	Limit	Actual value	
				As at March 31, 2026	As at March 31, 2025
1	Aditya Birla Finance Limited	Gross NPA	<=5%	-	8.53%
		Debt to ATNW	<=5 times	-	-
2	Alteria Capital Advisors LLP	Gross NPA	<=5%	-	8.53%
3	Caspian Impact Investments Pvt Limited	PAR 90(%) to AUM	< 7.5%	-	7.83%
		PAR 30 (%) to AUM	< 10%	-	11.44%
4	Capri Global Capital Limited	PAR 90(%) to AUM	<=7.50%	-	7.83%
		Net NPA	<=3.50%	-	3.91%
5	Federal Bank Limited	Gross NPA	<=3%	3.66%	8.53%
		Net NPA	<=1.5%	1.64%	3.91%
6	Credit Saison Limited (Kisetsu Saison)	PAR90 (incl. managed portfolio) to AUM	<=4%	-	7.83%
7	Creation Investments FPI, LLC	PAR 90 Pre Write Off (current financial year) divided by AUM	<=1.5%	6.62%	11.29%
		PAR 90 Pre Write Off (current financial year) divided by on-book POS	<=1.5%	3.38%	11.63%
		PAR 30 divided by AUM	<=3.5%	7.24%	11.44%
		PAR 30 divided by on-book POS	<=3.5%	3.94%	10.58%
		Company shall not report losses in any quarter	Profit	Loss	Loss
8	Vivriti Capital Private Limited	Gross NPA	<=5%	-	8.53%
		Net NPA	<=3%	-	3.91%
9	Suryoday Small Finance Bank	Gross NPA	<=5%	-	8.53%
10	State Bank of India	Net NPA	<= 2.5%	-	3.91%
		Total outside liabilities/ Net owned funds	<= 5.75%	6.69%	-
11	RAR Fincare Limited	PAR 90+	<=3.5%	5.95%	7.83%
		Gross NPA	<=3%	3.66%	8.53%
		Net NPA	<=1%	1.64%	3.91%
12	The Muthoot Financial Limited	Gross NPA	<=5%	-	8.53%
13	MAS Financial Services Limited	Gross NPA	<=5%	-	8.53%
		Net NPA	<=2.50%	-	3.91%
14	UC Inclusive Credit Pvt Limited	PAR 90+	<=7%	-	7.83%
		Debt to Equity	< 4 times	-	4.12
15	Karur Vysya Bank	Gross NPA	<=5%	-	8.53%
		Net NPA	<=3%	-	3.91%
16	Piramal Enterprises Limited	Gross NPA	<=6%	-	8.53%
17	Maanaveeya Development & Finance Private Limited	PAR 90+ to AUM	<4%	5.95%	7.83%
		Operational Self Sufficiency	>=100%	92.56%	99.73%
18	OXYZO Financial Services Private Limited	(PAR 90+ + Trailing 12 Months Write off) / Total AUM	<= 6%	6.62%	11.29%
		ROA	> =0.75%	(1.62%)	0.05%
19	Kissanadhan Agri Financial Services Pvt Limited	PAR 90+	<=5%	-	7.83%
		Net NPA	<=3%	-	3.91%
20	Incred Financial Services Limited	(PAR 90+ + Trailing 12 Months Write off) / Total AUM	<=5%	-	11.29%
		(PAR 30+ + Trailing 12 Months Write off) / Total AUM	<=8%	-	14.91%

15b Breach of Covenants (continued)

S. No.	Lender	Covenant Sub Heading	Limit	Actual value	
				As at March 31, 2026	As at March 31, 2025
21	Karvy Capital Limited	(PAR 90+ + Trailing 12 Months Write off) / Total AUM	<=10%	-	11.29%
22	Blue Orchard Finance Limited	Portfolio At Risk over 30 days + Restructured Loans + Net Charge-offs during the last 12 months divided by the Outstanding Gross Loan Portfolio	<=10%	-	12.65%
		Portfolio at Risk over 90 days + Restructured Loans - Loan Loss Reserves divided by the Tier I Capital	<=10%	22.57%	23.15%
		Return on Assets(TTM)	0%	(1.62%)	0.00%
23	Northern Arc Capital Limited	Ratio of sum of the Par > 90 and write-offs (on the Borrower's entire portfolio including receivables sold or discounted on a non-recourse basis) to Gross Loan Portfolio	<=5%	-	11.29%
24	Enabling Qapital Limited	Ratio of the sum of (x) Portfolio at Risk over 30 days + Restructured Loans + Net Charge-offs during the last 12 months divided by (y) the Outstanding Gross Loan Portfolio (on + off balance sheet)	<=12%	-	12.65%
		Ratio of the sum of (x) Portfolio at Risk over 90 days + Restructured Loans – Loan Loss Reserve) divided by (y) Tier 1 Capital	<=10%	22.57%	23.15%
		Return on Assets(TTM)	0.00%	(1.62%)	-
25	Triple Jump B.V	PAR30+RL Maximum (GLP Financials)	<=7%	-	9.76%
		Write-off TTM (including interest to Average GLP)	<=5%	-	5.33%
		Adjusted ROA	>=0.5%	(2.37%)	(0.87%)
		Return on Assets	>=0%	(1.62%)	-
26	Vivriti Asset Management Limited	Gross NPA	<=3%	3.66%	8.53%
		Net non-performing assets (computed at PAR90 on total book less provisions for NPA) as percentage to tangible NW	<=10%	20.57%	21.69%
		Return on Assets	>=0%	(1.62%)	-
		Net NPA	<=3%	-	3.91%
		Debt to tangible networth	<4.5	4.75	-
27	IIX Global Charitable Limited	PAR 30+ to AUM	<=4%	7.24%	11.44%
		PAR 90+ to AUM	<=3%	5.95%	7.83%
		Cost to Income Ratio	<80%	124.90%	100.91%
		Operational Self Sufficiency Ratio	>=100%	92.19%	99.60%
		Loan Loss Reserve Ratio of PAR 90 Days	>=50%	44.24%	-
		Loan Loss Reserve Ratio of PAR 90 Days	>=55%	44.24%	-
28	Bonds India Limited	Tier I Capital	>=18%	17.78%	-
29	Grip Investment Technologies Private Limited	PAT is Not Negative for Last four consecutive quarters	Profit	Loss	-

Owing to the stress currently being witnessed in the financial inclusion space, there has been a substantial increase in delinquencies in this sector in the current financial year. The Company has not met certain covenants as on 31st March 2026 and has sent requests to the respective lenders to condone the non-compliance. As of the date of these consolidated financial statements, none of the lenders have requested for acceleration of payment of the amounts due to them and therefore, no adjustments are required in these consolidated financial statements.

(All amounts are in Indian Rupees in Lakhs, except share data and as stated)

16 Other financial liabilities (at amortised cost)

Particulars	**As at March 31, 2026**	**As at March 31, 2025**
Payable to assignees towards collections in assigned assets-securitization	2,758.69	4,807.09
Payable to asset reconstruction company trust	210.82	-
Lease liabilities	951.30	1,393.57
Payable to employees and others	1,054.10	1,102.94
Total	**4,974.91**	**7,303.60**

17 Provisions

Particulars	**As at March 31, 2026**	**As at March 31, 2025**
Provision for guarantee	24.46	65.81
Provision for gratuity	317.39	15.13
Provision for compensated absences	462.43	321.80
Provision for service tax liability	7.65	18.75
Total	**811.93**	**421.50**

18 Other non-financial liabilities

Particulars	**As at March 31, 2026**	**As at March 31, 2025**
Statutory liabilities	344.16	497.76
Income received in advance	-	10.97
Total	**344.16**	**508.74**

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19 Equity share capital

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised		
11,900,000 (March 31, 2025: 11,900,000) equity shares of INR 100 each	11,900.00	11,900.00
4,000,000 (March 31, 2025: 4,000,000) 0.001 compulsorily	4,000.00	4,000.00
	15,900.00	**15,900.00**
Issued, subscribed and fully paid up		
Equity shares:		
1,16,66,477 (March 31, 2025: 1,16,66,477) equity shares of INR 100 e	11,666.48	11,666.48
	11,666.48	**11,666.48**

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

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount (INR-Lakhs)	Number of shares	Amount (INR-Lakhs)
Equity shares of INR 100 each				
As at beginning of the year	11,666,477	11,666.48	10,887,144	10,887.14
Conversion of compulsorily convertible preference shares	-	-	779,333	779.33
As at the end of the period/year	**11,666,477**	**11,666.48**	**11,666,477**	**11,666.48**

Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date - **Nil**

Statement of changes in equity

Particulars	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
As on 31st March 2026			
Equity share capital	10,887,144	-	10,887,144
As on 31st March 2025			
Equity share capital	10,887,144	-	10,887,144

Rights, preferences and restrictions attached to equity share

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and shares in the Company's residual assets. The equity shares are entitled to receive dividends as declared from time to time, subject to payment of dividends to preference shareholders. Dividends are paid in Indian Rupees. The dividend proposed by the board of directors, if any, is subject to the approval of the shareholders at the General Meeting, except in the case of an interim dividend. The voting rights of an equity shareholder on a poll (not on the show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

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

Rights, preferences and restrictions attached to compulsorily convertible preference shares

Each Compulsorily convertible cumulative preference share is convertible by its holder into one equity share. The holders of these shares are entitled to a cumulative dividend of 0.001%.

Preference shares carry a preferential right as to dividend over equity shareholders. The preference shares are entitled to one vote per share at meetings of the Company on any resolutions of the company directly affecting their rights. In the event of winding up, preference shareholders have a preferential right over equity shareholders to be repaid to the extent of capital paid up and dividend in arrears on such shares.

The Company has not issued any shares without payment being received in cash in the last 5 years immediately preceding the Balance sheet date.

19 Equity share capital (Continued)

Details of shareholders holding more than 5% shares in the company

Name of shareholder	As at March 31, 2026 Number of shares	As at March 31, 2026 % of total shares in class	As at March 31, 2025 Number of shares	As at March 31, 2025 % of total shares in class
Dvara Holdings- Trustee of Dvara Trust	3,650,428	31.29%	3,496,583	32.12%
Leapfrog Financial Inclusion India (II) Limited	2,720,061	23.32%	2,508,105	23.04%
Accion Africa-Asia Investment Company	2,508,105	21.50%	2,364,896	21.72%
Nordic Microfinance Initiative Fund IV KS	2,102,166	18.02%	1,839,248	16.89%
Stakeboat Capital Fund–I	656,874	5.63%	656,874	6.03%

Also refer note 41 in relation to ESOP.

Shareholding of promoters

Shares held by promoters As at March 31, 2026

S. No	Promoter name	No. of Shares	% of total shares	% Change during the year
1	Dvara Holdings (Trustee of Dvara Trust)	3,650,428	31.29%	4.40%
		3,650,428	31.29%	4.40%

Shares held by promoters at 31st March 2025

S. No	Promoter name	No. of Shares	% of total shares	% Change during the year
1	Dvara Holdings (Trustee of Dvara Trust)	3,496,583	29.97%	2.15%
		3,496,583	29.97%	2.15%

20 Other Equity

Particulars	As at March 31, 2026	As at March 31, 2025
a) Capital reserves	1,329.46	2,067.21
b) Securities premium	38,310.44	38,310.44
c) Employee stock option outstanding account	287.31	218.03
d) Statutory reserves	2,520.45	2,472.45
e) Retained earnings (Surplus / Deficit in Statement of Profit and Loss)	(17,888.34)	(14,893.06)
f) General Reserve	180.81	180.81
g) Other comprehensive income	2,477.69	2,551.27
Balance at the end of the year	**27,217.83**	**30,907.15**

Particulars	As at March 31, 2026	As at March 31, 2025
a) Capital Reserves		
At the commencement of the year	2,067.21	2,067.21
Less: Other adjustments	(737.75)	-
Balance at the end of the year	**1,329.46**	**2,067.21**
b) Securities premium account		
Balance at the beginning of the year	38,310.44	35,504.84
Add: Securities premium on issue of compulsorily convertible preference shares	-	2,805.60
Balance at the end of the year	**38,310.44**	**38,310.44**
c) Employee stock option outstanding account		
Balance at the beginning of the year	218.03	206.70
Add: Share based payment expense for the year	69.19	25.43
Less: Transferred to General Reserve	-	(14.10)
Add: Other adjustments	0.09	-
Balance at the end of the year	**287.31**	**218.03**
d) Statutory reserves		
(As per Section 45-IC of Reserve Bank of India Act, 1934)		
Balance at the beginning of the year	2,520.44	2,496.78
Add: Amount transferred from surplus in statement of profit and loss*	-	23.66
Add: Other adjustments	48.01	-
Balance at the end of the year	**2,520.45**	**2,520.44**

20 Other Equity (continued)

e) Retained earnings (Surplus / Deficit in Statement of Profit and Loss)

Balance at the beginning of the year	(14,355.59)	(15,089.76)
Add: Profit for the year	(3,582.45)	118.31
Less: Transferred to statutory reserve	-	(23.66)
Less: Transfer from other comprehensive income	49.70	102.05
Balance at the end of the year	**(17,888.34)**	**(14,893.06)**

f) General Reserve

Balance at the beginning of the year	180.81	166.71
Add: Transfer from employee stock option outstanding account	-	14.10
Balance at the end of the year	**180.81**	**180.81**

g) Other comprehensive income

Balance at the beginning of the year	2,551.27	(857.49)
Add: Remeasurements of defined benefit asset/ (liability)	49.70	102.05
Add : Cash flow hedge reserve	975.68	113.55
Add : Fair valuation of loan	(1,049.26)	3,295.21
Less: Transfer to retained earnings	(49.70)	(102.05)
Balance at the end of the year	**2,477.69**	**2,551.27**

Nature and purpose of reserve

a) Capital Reserves

Pursuant to scheme of arrangement approved by the NCLT on March 07, 2019, the company has created a capital reserve in accordance with the applicable accounting standards.

b) Securities premium

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

c) Employee stock option outstanding

The share option outstanding account represents reserve in respect of equity-settled share options granted to the Company's employees in pursuance of the employee stock option plan.

d) General Reserve

The general reserve consists of transfers from the employee stock option outstanding reserve due to the forfeiture of vested share options granted to employees. The reserve can be utilized by the Company in accordance with the Companies Act, 2013.

e) Statutory Reserve

Statutory Reserve is created in accordance with section 45 IC(1) of the RBI Act, 1934. As per this section, no appropriation of any sum from this reserve fund shall be made by the non-banking financial company except for the purpose as may be specified by RBI.

f) Retained earnings

Retained earnings is the accumulated available profit/loss of the Company carried forward from earlier years.

g) Other comprehensive income

a) Remeasurement of the net defined benefit liabilities comprise actuarial gain or loss, return on plan assets excluding interest and the effect of asset ceiling, if any.

b) The Company has applied hedge accounting for designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity as cash flow hedge reserve.

c) Changes in the fair value of financial instruments classified as fair value through other comprehensive income (FVOCI) are recognised in other comprehensive income and accumulated in the fair valuation reserve within other equity, in accordance with Ind AS 109, Financial Instruments.

(All amounts are in Indian Rupees in Lakhs, except share data and as stated)

21 Interest income

(Interest income on financial assets measured at amortised cost)

Particulars	**For the year ended March 31, 2026**	**For the year ended March 31, 2025**
Interest income		
Interest income on loans to customers	38,417.74	41,574.97
Interest income from securitisation	7,753.67	6,852.19
Interest income from investments	76.55	862.54
Interest on fixed deposits	685.90	929.94
Other interest income	17.16	12.29
Total	**46,951.01**	**50,231.93**

22 Fees and commission income

Particulars	**For the year ended March 31, 2026**	**For the year ended March 31, 2025**
Fees income	101.64	105.20
Commission income	981.41	1,787.36
Total	**1,083.05**	**1,892.56**

23 Net gain/(loss) on fair value changes:

Particulars	**For the year ended March 31, 2026**	**For the year ended March 31, 2025**
Net gain on financial instruments at fair value through profit or loss (FVTPL)		
On trading portfolio		
Mutual fund investments at FVTPL	280.96	449.33
Gain on valuaiton of existing stake in Associate - Saija Finance P Ltd	114.30	-
Total	**395.26**	**449.33**
Fair value changes		
Realised	395.26	442.24
Unrealised	-	7.09
Total	**395.26**	**449.33**

24 Net gain on derecognition of financial instruments

Particulars	**For the year ended March 31, 2026**	**For the year ended March 31, 2025**
Gain on sale of loan portfolio through assignment	1,851.78	5,297.14
Total	**1,851.78**	**5,297.14**

25 Other Income

Particulars	**For the year ended March 31, 2026**	**For the year ended March 31, 2025**
Interest on income tax refund	68.27	30.95
Net gain / (loss) on sale of an intangible asset	29.12	-
Other income	104.31	49.19
Total	**201.70**	**80.14**

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26 Finance Costs
(Finance costs on financial liabilities measured at amortised cost)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expense on borrowings		
- term loans from banks	2,727.70	5,164.90
- securitised portfolio	2,415.57	2,403.62
- term loans from others	2,307.32	2,606.74
- term loans from related parties	4.60	87.59
- external commercial borrowings	6,399.17	4,487.69
Interest on debt securities	5,965.51	7,739.42
Interest on Subordinated Liabilities	1,477.52	1,886.88
Interest on Cash Credit	5.24	37.31
Other interest expense	83.97	3.68
Amortisation of ancillary costs relating to borrowings	1,815.40	1,593.39
Interest expense on lease liabilities	167.31	193.19
Total	**23,369.31**	**26,204.40**

27 Fees and commission expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Commission expense	299.86	552.40
Recovery costs	26.96	6.33
Total	**326.82**	**558.72**

28 Impairment on financial instruments

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Impairment loss allowance		
(a) on loans	9,070.44	11,900.34
(b) on receivables	-	35.16
Bad debt written off	1,308.08	4,148.21
Subtotal	**10,378.51**	**16,083.71**
Less: Bad debts Recovered	(51.69)	(736.42)
Total impairment of financial assets	**10,326.82**	**15,347.29**

*Impairment loss allowance on loan includes provision for guarantee (Refer Note 17)

During the year ended March 31, 2026, the Company technically wrote off gross term loans amounting to exposure at default (EAD) of Rs. 2,475.44 lakhs. The Company carried a provision for Expected Credit Loss ("ECL") of Rs. 1,486.77 lakhs against the loans written off during the year.

29 Employee benefits expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salary and bonus expenses	12,553.34	10,179.55
Contribution to provident and other funds	1,306.49	1,130.99
Staff welfare expenses	675.51	239.19
Share based payments to employees	69.19	25.43
Total	**14,604.53**	**11,575.17**

30 Depreciation and amortization expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation of property, plant and equipment	299.23	455.16
Amortisation of intangible assets	520.73	450.78
Depreciation of right of use assets	224.88	288.96
Total	**1,044.83**	**1,194.89**

31 Other expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Rent	434.71	157.35
Electricity and water charges	103.42	75.17
Repairs and maintenance	66.86	53.91
Communication expenses	155.38	312.69
Printing and stationery	42.47	95.04
Payment to auditors (refer note 31.1)	74.55	77.10
Legal and professional charges	1,068.00	318.42
Insurance	28.15	348.53
Rates and taxes	322.33	396.80
Office maintenance	130.06	175.59
Travelling, conveyance and lodging	1,109.99	922.74
Corporate social responsibility expenses (refer note 31.2)	-	61.74
Technology fees	709.26	147.89
Other expenses	437.18	87.23
Total	**4,682.37**	**3,230.21**

31.1 Payments to auditors (excluding goods and services tax)

As auditor:	For the year ended March 31, 2026	For the year ended March 31, 2025
Statutory audit	32.20	27.00
Limited review	24.60	21.05
Tax audit	4.40	4.00
Other services	1.41	20.65
Reimbursement of expenses	11.94	4.40
Total	**74.55**	**77.10**

Note: Payment to auditors for the year ended March 31, 2025 includes fees paid to predecessor auditors

31.2 Details of Corporate Social Responsibility expenditure

As per section 135 of the Companies Act, 2013, the Company is required to spend 2% of its average net profit of the immediately three preceding financial years on CSR.

	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Amount required to be spent by the Company during the period/year	-	61.74
(b) Amount of expenditure incurred during the period/year :	-	-
i) Construction / acquisition of any asset	-	-
ii) On purposes other than (i) above	-	61.74
(c) Shortfall at the end of the period/year	-	-
(d) Total of previous years shortfall,	-	-
(e) Reason for shortfall		
(f) Nature of CSR activities	-	*

* The company donated 100 oxygen concentrators to public health centres and nursing homes. This initiative was launched during the second wave of COVID-19 to help communities and our customers at large, not just for COVID-19 emergencies but also for all health conditions that require oxygen support.

* The Company has undertaken CSR initiatives aimed at bridging the rural-urban digital divide by facilitating digital access and literacy in rural areas. The activities primarily focus on empowering rural women through training in digital literacy, financial literacy, and digital entrepreneurship. Additionally, the initiatives support women in becoming autonomous decision-makers and community information providers. These efforts are implemented through Community Information Resource Centres (CIRCs), which also offer digital services and assist the local population in accessing government entitlements.

Details of excess amounts spent carried forward for utilisation in future years:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a) Opening balance	14.48	38.92
b) Amount required to be spent during the year	-	61.74
c) Amount spent during the year	23.66	37.30
d) Closing balance	38.15	14.48

Note:

There is no shortfall in the CSR amount required to be spent by the company as per section 135(5) of the Act for the year ended March 31, 2025

(All amounts are in Indian Rupees in Lakhs, except share data and as stated)

32 Income Tax

i Amounts recognized in profit or loss

Particulars	As at March 31, 2026	As at March 31, 2025
Current tax		
In respect of current period/year	138.12	1,042.80
In respect of previous years	-	-
	138.12	**1,042.80**
Deferred tax		
Attributable to–		
1) Origination and reversal of temporary timing differences	(427.55)	(1,199.31)
2) MAT credit entitlement	-	(121.38)
	(427.55)	**(1,320.69)**
Total tax charge	**(289.43)**	**(277.89)**

ii Income tax recognized in other comprehensive income

Re-measurements of the defined benefit plan		
Income tax relating to items that will not be reclassified to profit or loss relating to remeasurement of defined benefit plans.	16.72	41.92
Hedge reserve and Fair valuation reserve		
Income tax relating to items that will be reclassified to profit or loss relating to remeasurement of hedge reserve account	(24.75)	1,400.44

iii Reconciliation of total tax expense

Particulars	As at March 31, 2026	As at March 31, 2025
Accounting profit before tax	(3,871.88)	(159.58)
Applicable tax rate	34.94%	29.12%
Computed tax expense	**(1,352.99)**	**(46.47)**
Add:		
a. Non Deductible Expenses		
(i) Interest and penalty	9.19	0.15
(ii) CSR Expense	-	17.98
(iii) Gain on sale of Intangible assets	(10.17)	-
(iv) Employee stock option forfeited	-	7.90
b. Others		
(i) Impact of carrying value of property, plant, and Equipment.	(139.24)	(124.33)
(ii) Impact of brought forward losses and unabsorbed depreciation	1,798.60	-
(iii) Impact of change in tax rate for the year	(378.44)	-
(iv) Others	(216.38)	(11.74)
c.Tax pertaining to earlier years	-	(121.38)
Tax expense derived	**(289.43)**	**(277.89)**

iv Deferred tax

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

Particulars	As at March 31, 2024	Statement of profit and loss	OCI	As at March 31, 2025	Statement of profit and loss	OCI	As at March 31, 2026
Component of Deferred tax asset / (liability)							
1) Deferred tax asset / (liability) in relation to:							
a) Difference between written down value of PPE as per books of accounts and income	84.69	149.53	-	234.22	31.67	-	265.89
b) Provision for employee benefits	-	41.92	(41.92)	-	16.72	(16.72)	-
c) Hedge impact on borrowings and reserve	289.57	-	(46.65)	242.92	8.00	(328.18)	(77.26)
d) Fair value of loan portfolio	-	-	(1,353.79)	(1,353.79)	183.64	352.93	(817.22)
e) Impairment on financial instruments	1,243.04	1,769.00	-	3,012.04	(1,738.26)	-	1,273.79
f) Unamortised processing charg	(102.29)	128.61	-	26.33	(120.27)	-	(93.95)
g) Carryforward of business loss	-	-	-	-	1,798.60	-	1,798.60
h) Amortisation of transaction c	-	(518.24)	-	(518.24)	212.93	-	(305.32)
i) MAT credit entitlement	939.44	(287.55)	-	651.89	(58.30)	-	593.59
j) Upfront income recognised on Direct Assignment transactions	(884.74)	(11.09)	-	(895.83)	233.83	-	(662.00)
k) Others	150.59	48.52	-	199.11	(105.00)	-	94.11
Total	**1,720.31**	**1,320.70**	**(1,442.36)**	**1,598.65**	**463.55**	**8.03**	**2,070.24**

33 **Earnings per share ('EPS')**

Particulars	**As at March 31, 2026**	**As at March 31, 2025**
Earnings		
Net profit attributable to equity shareholders for calculation of basic EPS	(3,582.45)	118.31
Net profit attributable to equity shareholders for calculation of diluted EPS	(3,582.45)	118.31
Shares		
(a) Equity shares at the beginning of the period/year	11,666,477	10,887,144
(b) Shares issued during the period/year	-	779,333
(c) Total number of equity shares outstanding at the end of the period/year	11,666,477	11,666,477
(d) Outstanding compulsorily convertible preference shares	-	-
(e)Weighted average number of equity shares outstanding during the period/year for calculation of basic EPS (c)+(d)	11,666,477	11,666,477
(f) Diluted effect of outstanding stock options	6,827	3,314
(g) Diluted effect of Compulsorily Convertible Preference Shares	-	-
(h) Weighted average number of equity shares outstanding during the period/year for calculation of diluted EPS	11,673,304	11,669,791
Face value per share	100.00	100.00
Earning per share		
Basic	(30.71)	1.01
Diluted	(30.71)	1.01
	Annualised	Annualised

(All amounts are in Indian Rupees in Lakhs, except share data and as stated)

34 Maturity Analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. With regard to loans and advances to customers, the company uses the same basis of expected repayment behaviour as used for estimating the EIR.

Particulars	As at March 31, 2026			As at March 31, 2025		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Assets						
Cash and cash equivalents	15,206.62	-	15,206.62	27,169.67	-	27,169.67
Bank balance other than cash and cash equivalents	9,513.70	-	9,513.70	6,090.03	3,145.49	9,235.52
Derivative financial instruments	-	7,856.71	7,856.71	-	674.75	674.75
Receivables	166.82	-	166.82	278.22	-	278.22
Loans	99,954.25	75,077.37	175,031.62	110,090.68	67,651.12	177,741.81
Investments	-	11,282.27	11,282.27	1,963.02	-	1,963.02
Other financial assets	1,057.62	264.14	1,321.76	1,510.40	184.66	1,695.06
Current tax assets (net)	-	858.61	858.61	-	805.40	805.40
Deferred tax assets (net)	-	2,034.23	2,034.23	-	1,776.52	1,776.52
Property, plant and equipment	-	605.13	605.13	-	731.85	731.85
Intangible asset under development	-	162.48	162.48	83.19	-	83.19
Goodwill	-	466.20	466.20	-	208.69	208.69
Other intangible assets	-	1,122.55	1,122.55	-	1,527.44	1,527.44
Right of Use Asset	259.39	439.48	698.87	330.51	796.85	1,127.36
Other non-financial assets	1,634.59	23.92	1,658.51	1,153.01	0.18	1,153.18
Total Assets	**127,792.99**	**100,193.10**	**227,986.09**	**148,668.73**	**77,502.96**	**226,171.68**
Liabilities						
Trade payables						
-total outstanding dues of micro and small enterprises	-	-	-	5.55	-	5.55
-total outstanding dues of creditors other than micro and small enterprises	406.88	-	406.88	417.43	-	417.43
Debt securities	27,305.99	31,244.11	58,550.10	14,414.30	44,054.95	58,469.24
Borrowings (Other than debt securities)	63,256.96	41,308.48	104,565.44	55,052.36	47,702.85	102,755.21
Subordinated Liabilities	-	19,466.80	19,466.80	1,520.38	12,196.40	13,716.78
Other financial liabilities	4,116.59	858.32	4,974.91	6,220.48	1,083.11	7,303.60
Provisions	793.18	18.75	811.93	193.31	228.19	421.50
Other non-financial liabilities	344.16	-	344.16	508.74	-	508.74
Total Liabilities	**96,223.76**	**92,896.46**	**189,120.22**	**78,332.56**	**105,265.49**	**183,598.05**
EQUITY						
Equity share capital	-	11,666.48	11,666.48	-	11,666.48	11,666.48
Other equity	-	27,217.83	27,217.83	-	30,907.15	30,907.15
Total Equity	**-**	**38,884.31**	**38,884.31**	**-**	**42,573.63**	**42,573.63**
Total Liabilities & Equity	**96,223.76**	**131,780.77**	**228,004.53**	**78,332.56**	**147,839.12**	**226,171.68**

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(All amounts are in Indian Rupees in Lakhs, except share data and as stated)

35 Financial instrument

A Fair value measurement

Valuation principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions i.e., exit price. This is regardless of whether that price is directly observable or estimated using a valuation technique.

Financial instruments by category

The carrying value and fair value of financial instruments measured at fair value as of March 31, 2026 were as

	Carrying amount		
Particulars	**Amortised cost**	**FVTPL**	**FVOCI**
Financial Assets:			
Cash and cash equivalents	15,206.62	-	-
Bank balance other than cash and cash equivalents	9,513.70	-	-
Derivative financial instruments	-	-	7,856.71
Trade Receivables	166.82	-	-
Loans	140,968.51	-	34,063.11
Investments	-	11,282.27	-
Other financial assets	1,321.76	-	-
Total	**167,177.41**	**11,282.27**	**41,919.82**
Financial Liabilities:			
Trade payables	406.88	-	-
Debt securities	58,550.10	-	-
Borrowings (Other than debt securities)	104,565.44	-	-
Subordinated Liabilities	19,466.80		
Other financial liabilities	4,974.91	-	-
Total	**187,964.13**	**-**	**-**

The carrying value and fair value of financial instruments measured at fair value as of March 31, 2025 were as

	Carrying amount		
Particulars	**Amortised cost**	**FVTPL**	**FVOCI**
Assets:			
Cash and cash equivalents	27,169.67	-	-
Bank balance other than cash and cash equivalents	9,235.52	-	-
Derivative financial instruments	-	-	674.75
Receivables	278.22	-	-
Loans	177,741.81	-	-
Investments	1,874.72	88.30	-
Other financial assets	1,695.06	-	-
Total	**217,995.00**	**88.30**	**674.75**
Liabilities:			
Trade payables	417.43	-	-
Debt securities	58,469.24	-	-
Borrowings (Other than debt securities)	102,755.21	-	-
Subordinated Liabilities	13,716.78	-	-
Other financial liabilities	7,303.60	-	-
Total	**182,662.25**	**-**	**-**

Note:

Fair Value of Assets & Liabilities carried at Amortised Cost in the books are close to the Fair Value and hence are not separately disclosed.

36 Financial risk management objectives and policies

(a) The Company's principal financial liabilities comprise borrowings from banks, financial Institutions and issue of debentures. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include loan and advances, investments and cash and cash equivalents that are derived directly from its operations.

(b) The Company is exposed to credit risk, liquidity risk and market risk. The Company’s board of directors have an overall responsibility for the establishment and oversight of the Company’s risk management framework. The board of directors have established the risk committee and asset liability committee, which is responsible for developing and monitoring the Company’s risk management policies. The committee reports quarterly to the board of directors on its activities.

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

36 Financial risk management objectives and policies (continued)

(i) Credit risk

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

A. a) Loans

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit behavior of its customer base, which includes various factors such as variations to the household income levels driven by external factors such as natural calamities, pandemics, change in regulations, government policies, geo political tensions, etc.

The Company's exposure to credit risk for loans by type of counterparty is as follows. All these exposures are within India.

Particulars	Carrying Amount	
	As at March 31, 2026	As at March 31, 2025
Term loans	180,094.42	188,224.84
Less: Impairment loss allowance**	(5,062.80)	(10,483.03)
Total	**175,031.62**	**177,741.81**

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

b) Staging:

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

The Company considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes 90 days past due on its contractual payments. For financial assets in stage 1, the impairment calculated based on defaults that are possible in next twelve months, whereas for financial instrument in stage 2 and stage 3 the ECL calculation considers default event for the life span of the instrument.

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

Days past dues status	Stage	Provisions
Current	Stage 1	12 months provision
1-30 Days	Stage 1	12 months provision
31-90 Days	Stage 2	Lifetime provision
90+ Days	Stage 3	Lifetime provision
Loan assets classified as NPA based on the end of the day days past due (DPD) in line with Reserve Bank of India (Non-Banking Financial Companies – Income Recognition, Asset Classification and Provisioning) Directions, 2025, as amended from time to time, till entire arrears of interest and principal are paid by the borrower.	Stage 3	Lifetime provision
Any loan account where there has been reported any fraud/ fraudulent activity, on part of the borrower, irrespective of DPD in that borrower account	Stage 3	Lifetime provision
All loan accounts that are death-marked and covered under a portfolio insurance policy shall be classified under Stage 3 if the insurance claim remains unsettled beyond 90 days from the date of freezing, irrespective of their existing stage or DPD status, and shall be considered for write-off.	Stage 3	Lifetime provision

c) Grouping

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

1) North – JLG (Pre Nov'24)
2) North – EL
3) North - Other Products
4) South – JLG(Pre Nov'24)
5) South – EL
6) South - Other Products
7) East – JLG(Pre Nov'24)
8) East – EL
9) East - Other Products
10)North - JLG (Post Oct' 24)
11) South - JLG (Post Oct'24)
12) East - JLG (Post Oct'24)

36 Financial risk management objectives and policies (Continued)

(i) Credit risk (Continued)

d) Expected credit loss ("ECL"):

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

i. Probability of default ("PD")
ii. Loss given default ("LGD")
iii. Exposure at default ("EAD")

i) Probability of default:

Probability of default (“PD”) is defined as the likelihood of default over a particular time horizon. The PD of an obligor is a fundamental risk parameter in credit risk analysis and depends on obligor specific as well as macroeconomic risk factors. The impact of macroeconomic criteria on the PD results in two different PD estimates, through-the-cycle (“TTC”) and the point-in-time (“PIT”) PD. A TTC PD estimate remains largely unaffected by the economic cycle, while a PIT PD estimate varies with the economic cycle. The base data for the PD framework considers a set of loan account numbers (having outstanding exposure) since Jan 2018 to Dec 2024. The observation period of 2018 to 2024 provides a sufficient history and covers various macroeconomic events and economic cycles.

ii) Loss given default

1) Loss Given Default (“LGD”) is defined as the loss rate on the exposure, given the borrower has defaulted. LGD under Ind AS 109 for a facility is dependent upon the characteristics such as presence of collateral, recoveries, direct expenses, and degree of subordination.

2) The computation consists of following components, which are:

a) The recoveries (cash or noncash)
b) The costs (expenses made on the recoveries, The company has taken in this case to be 5% of the recovered amount)
c) the discount factor

3) The formula for the computation is as below:

$$\text{LGD} = \frac{\text{EAD + (Expenses on recovery) - (PV of recoveries)}}{\text{EAD}}$$

% Recovery rate = (discounted recovery amount + discounted estimated recovery) / (total POS)
% LGD = 1 – recovery rate

4)The Company has estimated the loss given default, as a weighted average of the LGD of all default cases including that of written off cases computed using the historical recovery experience.

For the purpose of determining Loss Given Default (LGD), the Company has considered all loans that defaulted between January 2018 and December 2023, with a two-year recovery window until December 2025. An account level LGD has then been computed by deducting the discounted recoveries and adding the expenses on the discounted recovery to the amount of default. This is scaled up to a weighted average LGD for the entire portfolio. Recovery from each loan account is discounted using its own applicable rate of interest.

iii) Exposure at default

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

ii) Exposure at default (EAD) is the extent of exposure on each account on the reporting date for Stage 1, 2 & 3 assets. EAD is computed as sum of Principal Outstanding &Accrued Interest (including any overdue interest). Exposure at default for Stage 1 and Stage 2 is adjusted using contracted cashflows to arrive at the Adjusted Exposure at default. No adjustments are made for exposure in Stage 3 as this exposure is already in default.

iii) The Company continuously monitors all assets subject to ECLs. In order to determine whether an instrument is subject to 12 months ECL or Lifetime ECL, the Company assesses whether there has been a significant increase in credit risk since initial recognition. The Company considers the credit risk to be directly proportional to the delinquency status i.e. days past due of the loan under consideration. No further adjustments are made in the PD.

e) ECL computation:

ECL at pool level was computed with the following method:
ECL for year = Adjusted EAD* PD * LGD

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

Particulars	Provisions	As at March 31, 2026	As at March 31, 2023
Stage 1	12 month provision	1,264.20	1,398.93
Stage 2	Life time provision	150.70	304.03
Stage 3	Life time provision	3,647.90	8,780.08
Closing balance of expected credit loss provided for		**5,062.80**	**10,483.03**

36 Financial risk management objectives and policies (Continued)

(i) Credit risk (Continued)

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

Reconciliation of ECL balance is given below:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
ECL allowance - opening balance	**10,483.03**	**4,448.75**
Addition during the year (net of reversals)	7,759.38	7,752.78
Addition during the year on account of Bad Debts	1,308.07	4,148.21
Write offs during the year	(14,487.68)	(5,866.70)
Closing provision of ECL	**5,062.80**	**10,483.03**

Analysis of changes in the gross carrying amount of loans:

Particulars	As at March 31, 2026			
	Stage 1	Stage 2	Stage 3	Total
As at the beginning of the year	**167,308.55**	**5,356.53**	**15,559.76**	**188,224.84**
New assets originated *	127,999.13	770.74	631.07	129,400.94
Asset derecognised or repaid	(109,066.76)	(541.21)	1,073.38	(108,534.59)
Movement Between Stages				-
Transfer from stage 1	(6,505.48)	1,746.73	4,758.75	-
Transfer from stage 2	484.89	(1,382.17)	897.28	-
Transfer from stage 3	129.57	7.03	(136.60)	-
Write offs	(8,372.90)	(4,345.12)	(16,278.75)	(28,996.77)
As at the end of the year	**171,977.00**	**1,612.53**	**6,504.89**	**180,094.42**

* New assets originated are those assets which have originated during the year

Particulars	As at March 31, 2025			
	Stage 1	Stage 2	Stage 3	Total
As at the beginning of the year	**176,619.62**	**1,834.29**	**5,528.55**	**183,982.46**
New assets originated *	129,850.44	2,333.58	2,429.84	134,613.86
Asset derecognised or repaid	(113,652.22)	(3,210.28)	(3,486.15)	(120,348.65)
Movement Between Stages				-
Transfer from stage 1	(22,787.76)	6,484.29	16,303.47	-
Transfer from stage 2	181.53	(580.59)	399.06	-
Transfer from stage 3	711.60	2.86	(714.46)	-
Write offs	(3,614.67)	(1,507.62)	(4,900.54)	(10,022.83)
As at the end of the year	**167,308.55**	**5,356.53**	**15,559.76**	**188,224.84**

* New assets originated are those assets which have originated during the year

Analysis of changes in the ECL of loans:

As at March 31, 2026

Particulars	Stage 1	Stage 2	Stage 3	Total
As at the beginning of the year	**1,398.93**	**304.03**	**8,780.08**	**10,483.03**
New assets originated *	937.59	111.87	703.90	1,753.36
Asset derecognised or repaid	4,213.73	205.71	783.74	5,203.18
Movement Between Stages				-
Transfer from stage 1	(71.88)	17.36	54.53	-
Transfer from stage 2	17.00	(63.33)	46.33	-
Transfer from stage 3	(921.58)	4.28	917.30	
Write offs	(4,246.60)	(482.08)	(9,759.00)	(14,487.68)
NPA Interest Reversal			(949.43)	(949.43)
Impact on ECL on account of updates to the ECL model	(62.98)	52.87	3,070.46	- 3,060.35
As at the end of the year	**1,264.20**	**150.71**	**3,647.90**	**5,062.81**

As at March 31, 2025

Particulars	Stage 1	Stage 2	Stage 3	Total
As at the beginning of the year	**1,000.53**	**208.16**	**3,240.06**	**4,448.75**
New assets originated *	1,137.69	166.54	696.49	2,000.72
Asset derecognised or repaid	995.74	811.58	264.81	2,072.13
Movement Between Stages				-
Transfer from stage 1	(165.30)	38.46	126.84	-
Transfer from stage 2	136.07	(151.48)	15.41	-
Transfer from stage 3	388.93	1.61	(390.54)	-
Write offs	(2,129.08)	(888.80)	(2,848.83)	(5,866.70)
Impact on ECL on account of updates to the ECL model	34.35	117.95	7,676	7,828.13
As at the end of the year	**1,398.93**	**304.03**	**8,780.08**	**10,483.03**

36 Financial risk management objectives and policies (Continued)

(i) Credit risk (Continued)

f) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure is the total of the carrying amount of the aforesaid balances.

g) Analysis of credit concentration risks

The Company's concentrations of risk are managed by counterparty and geography. The maximum credit exposure to any individual client or counterparty as of March 31, 2026 was INR 13.55 Lakhs (March 31, 2025: INR 10 Lakhs)

The following table shows the risk concentration of loan portfolio by geography.

Geography	For the year ended March 31, 2026	For the year ended March 31, 2025
Tamil Nadu	81,405.71	86,779.36
Odisha	13,558.59	14,243.76
Karnataka	16,237.89	16,184.87
Chhattisgarh	7,303.81	7,211.35
Uttarakhand	6,625.88	4,389.40
Jharkhand	13,500.83	12,649.97
Uttar Pradesh	7,545.28	10,699.27
Haryana	4,835.20	5,122.49
Bihar	22,231.08	24,113.06
Punjab	4,481.48	5,442.95
Andhra Pradesh	2,368.67	1,388.36
Total	**180,094.42**	**188,224.84**

h) Change in accounting estimate

Company has a policy of reviewing ECL model semi-annually. During the current year, the company has made a annual review and made such refinements to the model and assumptions that in its opinion are essential.

B. Cash and cash equivalent and Bank deposits

The Company held cash and cash equivalents with credit worthy banks and financial institutions as at the reporting dates which has been measured on the 12-month expected loss basis. The credit worthiness of such banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good with low credit risk.

C. Other financial assets and Receivables

This balance is primarily constituted by security deposits and advance to employees. The Company does not expect any losses from non-performance by these counter-parties.

(ii) Liquidity risk

a. Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company is bound to comply with the Asset Liability Management guidelines issued by Reserve Bank of India. The company has Asset Liability Management policy approved by the board and has constituted Asset Liability Committee to oversee the liquidity risk management function of the company. The Company’s approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company’s reputation.

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

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

d. Capital adequacy ratio of the Company, as on March 31, 2026 is 24.25% (YE March 31, 2025: 23.92%) against regulatory norms of 15%. Tier I capital is 17.78% (YE March 31, 2025: 17.47%) as against requirement of 10%. Tier II capital is 6.47% (YE March 31, 2025: 6.45%) which may increase from time to time depending on the requirement and also as a source of structural liquidity to strengthen asset liability maturity pattern.

36 Financial risk management objectives and policies (Continued)

(ii) Liquidity risk (Continued)

Maturity profile of non-derivative financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted contractual cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Particulars	Carrying amount	Less than 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years
Non-derivative financial liabilities					
As at March 31, 2026					
Trade Payables	406.88	406.88	-	-	-
Debt Securities*	58,550.10	27,306.00	24,473.02	6,771.08	-
Borrowings (Other than Debt Securities)*	104,565.44	45,666.21	58,851.53	47.70	-
Subordinated Liabilities*	19,466.80	2,094.27	1,366.63	11,783.42	4,222.48
Other financial liabilities	4,974.91	4,116.59	858.32		
Total	**187,964.13**	**79,589.95**	**85,549.50**	**18,602.20**	**4,222.48**
As at March 31, 2025					
Financial Liabilities					
Trade payables	422.98	422.98	-	-	-
Debt Securities*	58,469.24	14,953.03	43,516.21	-	-
Borrowings (Other than Debt Securities)*	102,755.21	57,082.31	39,806.27	5,866.63	-
Subordinated Liabilities*	13,716.78	1,950.97	-	8,316.22	3,449.59
Other financial liabilities	7,303.60	6,220.48	1,083.11		
Total	**182,667.81**	**80,629.77**	**84,405.59**	**14,182.85**	**3,449.59**

Maturity profile of derivative financial liabilities

The following table details the Company's liquidity analysis for its derivative financial instruments. The table has been drawn up based on the undiscounted gross inflows and outflows on those derivatives that require gross settlement. There is no derivative instruments that is settled on a net basis.

Particulars	Carrying amount	Less than 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years
Derivative financial instruments					
As at March 31, 2026					
Gross settled:					
Cross Currency Interest Rate swaps					
- Receivable / (Payable)	7,189.77	7,189.77	-	-	-
Cross currency swaps					
- Receivable / (Payable)	666.94	666.94	-	-	-
Total	**7,856.71**	**7,856.71**	**-**	**-**	**-**
As at March 31, 2025					
Gross settled:					
Cross Currency Interest Rate swaps					
- Receivable / (Payable)	691.26	691.26	-	-	-
Cross currency swaps					
- Receivable / (Payable)	(16.51)	(16.51)			
Total	**674.75**	**674.75**	**-**	**-**	**-**

(iii) Market risk

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

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's investment in bank deposits and variable interest rate lending. Whenever there is a change in borrowing interest rate for the Company, necessary change is reflected in the lending interest rates over the timeline in order to mitigate the risk of change in interest rates of borrowings. The Company reviews the interest rate model on quarterly basis.

Sensitivity analysis - Increase/ decrease of 100 basis points

Particulars	As at March 31, 2026		As at March 31, 2025	
	Increase	Decrease	Increase	Decrease
Debt Securities	(585.10)	585.10	(497.31)	497.31
Borrowings	(1,036.60)	1,036.60	(1,166.68)	1,166.68
Bank Deposits	157.27	(157.27)	197.50	(197.50)
Subordinated Liabilities	(165.92)	165.92	(107.51)	107.51

(b) foreign currency risk

Refer Note 45A. Derivatives

37 Commitments

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Estimated amount of contracts remaining to be executed on capital account (net of capital advances)	-	-

38 Contingent liabilities

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Claims against the Company not acknowledged as debt		
a. Service tax related matters (net of provision)	44.86	44.86

b. The company has introduced a car leasing policy for employees. This policy enables employees to hire a car (a new car of their choice) based on their eligibility. For this purpose, the company has entered into a lease agreement with Sundaram Finance Limited ("SFL") and Orix Leasing & Finance Services India Limited ("OLFSIL"). According to the agreements, the company is not the owner of the asset but holds the car as a bailee. However, the car is registered under the company's name. In case the employee defaults on the lease rent, SFL or OLFSIL shall seize and sell the car to adjust against the same, and the company shall compensate for any losses incurred due to default payment of lease rent.

39 Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the Micro, Small and Medium Enterprise Development Act, 2006 ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2025 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date.

	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a.	The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting period		
	Principal	-	5.55
	Interest	-	-
b.	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
c.	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 Micro, Small and Medium Enterprises Development Act, 2006;		
d.	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
e.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.		

Note: The management has identified micro and small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) on the basis of information made available by the supplier or vendors of the Company.

40 Employee benefits

Defined contribution plans

The Company makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme and employee state insurance scheme, which are defined contribution plans. The Company's contribution is recognized as an expenses in the statement of profit and loss during the period in which the employee renders the related service. The amount recognised as an expense towards contribution to provident fund and employee state insurance for the year aggregated to Rs. 1049.08 lakhs (March 31, 2025: Rs. 754.08 lakhs).

40 Employee benefits (Continued)

The Company's gratuity benefit scheme is a defined plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their services in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past services and the fair value of any plan assets are deducted. The calculation of the company's obligation under the plan is performed annually by a qualified actuary using the projected unit credit method.

I Details of actuarial valuation of gratuity pursuant to the Ind AS 19

	For the year ended March 31, 2026	For the year ended March 31, 2025
A. Change in present value of obligations		
Present value of obligations at the beginning of the year	530.43	586.08
Benefits paid	(106.01)	(129.82)
Current service cost	159.17	210.97
Transfer in Liability	3.52	-
Past service cost	-	-
Interest cost	29.24	39.50
Actuarial (gains) losses recognised in other comprehensive income	19.44	(176.31)
Present value of obligations at the end of the year	**635.79**	**530.43**
B. Change in plan assets		
Fair value of plan assets at the beginning of the year	515.30	417.86
Adjustment to Opening Fair Value of Plan Asset	-	24.97
Contributions paid into the plan	15.13	168.22
Benefits paid	(106.01)	(129.82)
Interest Income	30.16	32.34
Return on plan assets recognised in other comprehensive income	(30.16)	1.72
Fair value of plan assets at the end of the year	**424.40**	**515.30**
Net defined benefit liability	**211.39**	**15.13**
C. Expense/ (income) recognised in the statement of profit and loss		
Current service cost	159.17	210.97
Past service cost	-	-
Net interest (income)/expense	(0.93)	7.16
Total	**158.24**	**218.13**
Remeasurements recognised in other comprehensive income		
Actuarial loss on defined benefit obligations	49.61	(178.03)

D. Plan assets

The Plan is fully funded by the Company. The funding requirements are based on the gratuity fund's actuarial measurement framework set out in the funding policies of the plan. The funding is based on a separate actuarial valuation for funding purposes for which the assumptions may differ from the assumptions set out below. Employees do not contribute to the plan. This plan is funded with SBI.

E. Defined benefit obligation

	For the year ended March 31, 2026	For the year ended March 31, 2025
Discount rate	5.77% - 6.53%	6.42%
Salary escalation	8.84% - 10.00%	8.84%
Expected average remaining service	0.55 - 9.89	0.48 - 9.49
Attrition rate (Past service - PS)	PS : 0 to 5 : 5%-70.23%	PS : 0 to 5 : 84.44%
	PS : 5 to 40 : 5%-38.37%	PS : 5 to 40 : 24.06%
Mortality rate	IALM (2012-14) Ult.	IALM (2012-14) Ult.

Notes:

a) The estimates in future salary increases, considered in actuarial valuation, takes account of inflation, seniority promotion and other relevant factors, such as supply and demand in the employee market.

b) Discount rate is based on the prevailing market yields of Indian Government Bonds as at the balance sheet date for estimated term of obligation.

F. Sensitivity analysis

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

	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(619.17)	644.63	(514.09)	548.03
Future salary growth (1% movement)	640.75	(622.69)	544.29	(517.25)

40 Employee benefits (Continued)

G. The expected payout of undiscounted gratuity is as follows:

Particulars	Upto 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	6 to 10 years
2025-26						
Gratuity	246.81	162.50	103.95	69.30	45.94	78.00
2024-25						
Gratuity	157.13	100.85	77.80	63.28	60.95	141.37

II **Details of actuarial valuation of Leave Encashment pursuant to the Ind AS 19**

The Company provides encashment of compensated absence based on the approved Company policy. Employees whose service is permanent will be eligible for privilege of compensated absence on calendar year basis, and a maximum accumulation allowed is 5 days leaves in an year. Further, the employees can carry forward a portion of the unutilised accrued compensated absence and utilize it in future periods or receive cash compensation at retirement or termination of employment for the unutilised accrued compensated absence for a maximum of 30 days.

	For the year ended March 31, 2026	For the year ended March 31, 2025
A. Change in present value of obligations		
Present value of obligations at the beginning of the year	321.80	219.06
Benefits paid	(101.31)	(64.78)
Current service cost	246.05	308.76
Transfer in Liability	0.64	0.00
Interest cost	14.64	13.19
Actuarial (gains) losses on Obligation	(19.39)	(154.43)
Present value of obligations at the end of the year	**462.43**	**321.80**
B. Change in plan assets		
Fair value of plan assets at the beginning of the year	-	-
Contributions paid into the plan	101.31	64.78
Benefits paid	(101.31)	(64.78)
Fair value of plan assets at the end of the year	**-**	**-**
Net defined benefit liability	**462.43**	**321.80**
C. Expense/ (income) recognised in the statement of profit and loss		
Current service cost	246.05	308.76
Actuarial (gains) losses on Obligation	(19.39)	(154.43)
Net interest (income)/expense	14.64	13.19
Total	**241.30**	**167.52**
Remeasurements recognised in other comprehensive income		
Actuarial (Gain)/loss on defined benefit obligations.	(19.39)	(154.43)

D. Plan assets

The funding requirements are based on the compensated absences actuarial measurement framework set out in the funding policies of the plan. The funding is based on a separate actuarial valuation for funding purposes for which the assumptions may differ from the assumptions set out below. Employees do not contribute to the plan.

E. Defined benefit obligation

	For the year ended March 31, 2026	For the year ended March 31, 2025
Discount rate	5.77% - 6.53%	6.42%
Salary escalation	8.84% - 10.00%	8.84%
Expected average remaining service	0.55 - 9.89	0.48 - 9.49
Attrition rate (Past service - PS)	PS : 0 to 5 : 5%-70.23%	PS : 0 to 5 : 84.44%
	PS : 5 to 40 : 5%-38.37%	PS : 5 to 40 : 24.06%
Mortality rate	IALM (2012-14) Ult.	IALM (2012-14) Ult.

Notes:

a) Encashment of compensated absence is payable to the employees on death or resignation or on retirement at the attainment of superannuation age, and it is not applicable on termination and unserved notice period of an employee.

b) The discount rate is based on the prevailing market yield of Government of India bonds as at the balance sheet date for the estimated terms of obligations.

c) The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

40 **Employee benefits (Continued)**

F. Sensitivity analysis

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

	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Increase	**Decrease**	**Increase**	**Decrease**
Discount rate (1% movement)	(453.78)	466.46	(315.72)	328.31
Future salary growth (1% movement)	464.10	(455.99)	326.64	(317.22)

G. Through its defined benefit plans the company is exposed to a number of risks, the most significant of which are detailed below

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 defined benefit obligations depend upon the combination salary increase, discount rate, and vesting criteria and therefore not very straight forward.

Change in bond yields -

A decrease in government bond yields will increase plan liabilities, although this is expected to be partially offset by an increase in the value of the plan's investment in debt instrument.

Inflation risk -

The present value of some of the defined benefit plan obligations are calculated with reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Life expectancy -

The present value of defined benefit plan obligation is calculated by reference to the best estimate of the mortality of plan participants, both during and after the employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

H. The expected payout of undiscounted compensated absences is as follows:

Particulars	Upto 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	6 to 10 years
2025-26						
Compensated absences	271.13	106.11	48.59	26.80	16.73	28.34
2024-25						
Compensated absences	188.83	50.33	26.59	20.09	20.52	44.06

41 **Employee stock option plan (ESOP)**

Dvara KGFS Employee Stock Option Plan 2019 ("ESOP Plan") has been approved by the shareholders of the Company, by way of a special resolution, authorizing the Committee to grant not more than 226905 options (at any point of time after excluding optioned granted to resigned employees) to eligible employees in one or more tranches, from time to time of face value Rs.100 each fully paid up, with each such option conferring a right upon the employees to apply for one share in the Company in accordance with the terms and conditions as may be decided under the Plan. The shareholders of the Company have approved the Plan by way of an special resolution and it shall continue to be in force until (i) its termination by the Company as per provisions of Applicable Laws, or (ii) the date on which all of the Options available for issuance under the Plan have been issued and exercised, whichever is earlier.

Dvara KGFS Employee Stock Option Plan 2024

A brief overview of the scheme is summarized as under:

Particulars	Tranch I	Tranch I	Tranch II	Tranch III
Effective date of Scheme:	1-Apr-19	10-May-19	2-Jan-20	30-Mar-21
Approval of Board of directors:	1-Apr-19	10-May-19	2-Jan-20	30-Mar-21
Date of EGM	1-Feb-19	1-Feb-19	1-Feb-19	1-Feb-19
Tenure of scheme	4 years	4 years	4 years	4 years
Vesting period	1 year	1 year	1 year	1 year
Total number of eligible employees	28	28	28	39
Exercise price in INR	346	346	380.59	477.11
Number of options granted	55,330	10,320	25,306	43,199
Fair value of options at grant date (in INR)	97.2 to 188.3	97.2 to 188.3	88.27 to 176.31	225.94 to 317.56

Particulars	Bonus & Incremei	Tranch IV	Tranch V	Tranch VI
Effective date of Scheme:	30-Mar-21	2-Nov-21	1-Oct-22	31-May-23
Approval of Board of directors:	30-Mar-21	2-Nov-21	1-Oct-22	1-Oct-22
Date of EGM	1-Feb-19	26-Mar-21	30-Sep-22	30-Sep-22
Tenure of scheme	1 year	4 years	4 years	4 years
Vesting period	1 year	1 year	1 year	1 year
Total number of eligible employees	38	41	41	36
Exercise price in INR	477.11 and 429.39	525.43	460	466
Number of options granted	16,370	41,652	56,535	47,200
Fair value of options at grant date (in INR)	225.94 to 317.56	107.17 to 224.54	183.33 to 310.50	96.20 to 168.43

41 Employee stock option plan (ESOP) (continued)

Particulars	Tranch VII	Tranch VIII	Tranch V	Tranch VI
Effective date of Scheme:	27-Dec-24	26-May-25		
Approval of Board of directors:	4-Dec-24	26-May-25		
Date of EGM	27-Dec-24	27-Dec-24		
Tenure of scheme	4 years	4 years		
Vesting period	1 year	1 year		
Total number of eligible employees	40	48		
Exercise price in INR	409.50	462.00		
Number of options granted	42,600	60,225		
Fair value of options at grant date (in INR)	194.10 to 227.00	86.70 to 158.65		

Reconciliation of outstanding options

The details of options granted under the above schemes are as follows.

Particulars	Weighted average exercise price per option		Number of options	
	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2026	For the year ended March 31, 2025
Outstanding at beginning of year	437.55	448.09	170,604	159,162
Less: Forfeited during the year	455.10	452.90	11,940	31,158
Less: Exercised during the year	-	-	-	
Add: Granted during the year	462.00	409.50	60,225	42,600
Outstanding as at end of year	**444.47**	**437.55**	**218,889**	**170,604**

Expense recognised in the statement of profit and loss

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Share based payments to employees	69.19	117.70

Measurement of fair values

The fair value of options have been estimated on the dates of each grant using the Black Scholes model. The various inputs considered in the pricing model for the stock options granted by the Company during the year are as follows:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Share price on grant date (INR)	462.00	454.93
Weighted average share price (INR)	444.45	437.55
Exercise price (INR)	462.00	409.50
Fair value of options at grant date (INR)	86.70 to 158.65	194.10 to 227.00
Expected volatility	13.71%-18.21%	36.20% - 38.70%
Option term	1-4 years	1-4 years
Expected dividends	Nil	Nil
Risk free interest rate	5.76%- 5.94%	6.70% - 6.75%

42 Related party disclosures

Related party relationships and transactions are as identified by the management.

Entities with substantial interest over the company	Dvara Trust, represented by Dvara Holdings Accion Africa-Asia Investment Company Leapfrog Financial Inclusion India (II) Limited
Enterprise in which controlling entity / KMP has	Dvara Holdings Dvara Solutions Private Limited Dvara E-Registry Private Limited Dvara E-Diary Solutions Private Limited Dvara Smartgold Private Limited Dvara KGFS Employees Gratuity Trust
Entities which are in the same group (subsidiary company)	Dvara KGFS Digital Services Private Limited (Formerly known as "Saija Finance Private Limited")
Key Managerial Personnel (KMP)	Ms. Shilpa Bhatter, Chief Financial Officer (Until 23rd June 2025) Mr. Abhik Sarkar, Chief Financial Officer (Since 24th June 2025) Ms. Rajalakshmi S, Company Secretary (Until 21st October 2025) Mr. Aravinthan B, Company Secretary (Since 19th December 2025) Mr. LVLN Murty, Managing Director & CEO Ms. Bindu Ananth, Director & Chairman (Until 25th August 2025) Mr. Samir Amrit Shah, Director & Chairman (Since 26th August 2025)
Independent Directors	Mr. Hemanth Ratnakar Adarkar Ms. Gowri Thyagarajan Ms. Anisha Motwani Mr. Raman Uberoi

42 Related party disclosures (continued)

Non Executive Director	Mr. John Henry Fischer (Until 13th May 2025)
	Mr. Arvind Kodikal (Since 14th May 2025)
	Mr. Pranav Kumar Gupta, Nominee Director
	Ms. Shreya Deb, Additional Director
	Ms. Lone Sondergaard, Nominee Director (Until 30th January 2026)
	Mr. Anders Thorbjornsen, Nominee Director (Since 11th February 2026)
	Mr. Thomas Klungsoeyr, Nominee Director
Relatives of KMPs	Mr. Amrut Madhav Gujarathi
	Ms. Aruna Amrut Gujarathi
	Mr. L Krishna Murty
	Ms. L Usha
	Ms. L S Prabhavati

A. Transactions during the Year :

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Dvara Trust		
Loan Repaid	-	137.29
Interest expenses***	-	12.38
Professional & consultancy fee paid	-	2.13
Dvara Solutions Private Limited		
Technology fees	303.44	296.44
Customization fee	-	3.38
Dvara Holdings		
Rent	223.16	212.69
Loan Obtained	-	425.00
Loan Repaid	-	2,020.85
Security Deposit paid	125.36	-
Interest expenses***	4.60	68.00
Staff Welfare Expenses	7.99	4.17
Other Expenses	-	8.43
Dvara E Dairy Solutions Private Limited		
Loan Received	-	290.00
Loan Repaid	-	296.37
Interest expenses***	-	6.37
Dvara Kshetriya Gramin Financial Services Pvt Ltd's Employees Gratuity Trust		
Contribution paid	15.13	-
Contribution withdrawn	106.01	-
Dvara E- Registry Solutions Private Limited		
Loan Received	-	150.00
Loan Repaid	-	150.22
Interest expenses***	-	1.20
Director Sitting Fees		
Ms. Anisha Motwani	4.00	10.00
Mr. Raman Uberoi	11.50	12.00
Ms. Gowri Thyagarajan	6.50	9.50
Mr. Hemant Ratnakar Adarkar	20.00	16.50
Remuneration to Key Managerial Personnel #		
Ms. Shilpa Bhatter, Chief Financial Officer (Until 23rd June 2025)	14.06	86.59
Mr. Abhik Sarkar, Chief Financial Officer (Since 24th June 2025)	55.96	-
Ms. Deepika Bhatt, Company Secretary (Until 31st March 2025)	-	18.72
Ms. Rajalakshmi S, Company Secretary (Until 21st October 2025)	9.71	-
Mr. Aravinthan B, Company Secretary (Since 19th December 2025)	6.86	-
Mr. LVLN Murty, Managing Director & CEO	136.93	132.46
Relatives to Key Managerial Personnel		
Interest on Non-convertible debentures paid	8.58	7.26
Non-convertible debentures received	-	10.00
Repayment of Non-convertible debentures	40.00	-
Relatives to Directors		
Interest on Non-convertible debentures paid to relatives	-	6.07
Principal amount repaid to relatives	-	25.00

42 Related party disclosures (continued)

Amount attributable to post employment benefits have not been disclosed as the same cannot be identified distinctly in the actuarial valuation.

Since the company's equity share capital is unlised, the ESOP options granted to the KMPs will be disclosed upon exercise of the options.

*** Interest Expenses includes only actual cash outflow on account of interest and does not include interest accrued.

B. Balances as at year end:

Particulars	As at March 31, 2026	As at March 31, 2025
Dvara Smartgold Private Limited		
Trade receivable	1.02	1.02
Dvara Holdings		
Securty Deposit	125.36	-
Individual NCD belonging to Close member of KMP	65.00	75.00

43 Segment reporting

Operating segments

The Company's operations predominantly relate to arranging or facilitating or providing finance either in the form of loans. The information relating to this operating segment is reviewed by the Chief Operating Decision Maker to make decisions about resources to be allocated and to assess its performance. The CODM considers the entire business of the Company on a holistic basis to make operating decisions and thus there are no segregated operating segments. The CODM of the Company reviews the operating results of the Company as a whole and therefore not more than one reportable segment is required to be disclosed by the Company as envisaged by Ind AS 108 Operating Segments.

The company does not have any separate geographic segment other than India. As such there are no separate reportable segments as per IND AS 108 Operating Segments.

44 Leases

In the cases where assets are taken on operating lease (as lessee)

As a lessee, the Company’s lease asset class primarily consist of buildings or part thereof taken on lease for office premises used for operating activities. In accordance with the requirements under Ind AS 116, Leases, the Company has recognized the lease liability at the present value of the future lease payments discounted at the incremental borrowing rate, at the inception of respective lease contracts and Right of use (ROU) asset is equal to lease liability subject to certain practical expedients as allowed by the standard.

The following is the summary of practical expedients applied as allowed under Ind AS 116.

a) Applied a single discount rate to a portfolio of leases with reasonably similar characteristics;
b) Availed the exemption of not to recognize ROU assets and liabilities for leases of low value assets and leases with less than 12 months (short-term lease) of lease term;
c) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application as at April 1, 2019 and thereafter;
d) Used hindsight to determine the lease term of contracts.

i) Total lease liabilities are analysed as follows:

Lease liabilities	As at March 31, 2026	As at March 31, 2025
Current	92.98	310.45
Non-current	858.32	1,083.11
Total	**951.30**	**1,393.57**

ii) Amounts recognised in the statement of profit and loss

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation charge of right-of-use assets		
Office Premises	224.88	288.96
Total	**224.88**	**288.96**
Expense relating to variable lease payments		
Expense relating to short-term leases (included in other expenses) - Refer note 31	434.71	157.35
Interest on lease liabilities (included in finance costs) - Refer note 26	167.31	193.19

iii) Total cash flows for leases and commitments for the short term leases

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Total cash outflow for leases	940.73	649.50
Total commitments for short-term leases	-	-

iv) The Company had not committed to leases which had not commenced and hence the total future cash outflows for leases that had not yet commence - Nil

44 Leases (continued)

v) The following are the undiscounted contractual cash flows of lease liabilities. The payment profile has been based on management's forecasts and could in reality be different from expectations:

Particulars	**As at March 31, 2026**	**As at March 31, 2025**
Less than 1 year	457.74	493.98
Between 1 and 2 years	292.36	433.21
Between 2 and 5 years	259.87	747.18
More than 5 years	114.64	325.40
Total	**1,124.61**	**1,999.77**

vi) Movement in lease liabilities during the year

Particulars	**As at March 31, 2026**	**As at March 31, 2025**
Balance as at beginning of the year	1,393.57	1,260.89
Additions during the year	168.58	431.64
Finance cost incurred during the year	167.31	193.19
Termination of lease and adjustment during the year	(272.14)	-
Payment of lease liabilities	(506.02)	(492.15)
Balance at the year end	**951.30**	**1,393.57**

Note: Refer Note 10B for movement in right of use of assets.

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(All amounts are in Indian Rupees in Lakhs, except share data and as stated)

45 Investments

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Value of investment		
Gross value of investments		
- In India	13,022.70	1,963.02
- Outside India	-	-
Provisions for investments		
- In India	(1,740.43)	-
- Outside India	-	-
Net value investments		
- In India	11,282.27	1,963.02
- Outside India	-	-
Movement of provisions held towards depreciation on investments		
Opening balance	**-**	**-**
Add: Provisions made during the year	1,740.43	-
Less: Write off/ write back/ reversal of provision during the year	-	-
Closing balance	**1,740.43**	**-**

45A Derivatives

a) Forward Rate Agreement (FRA) / Interest Rate Swap (IRS)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
The notional principal of swap agreements	33,363.64	36,780.31
Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	-
Collateral required by the Company upon entering into swaps	-	-
Concentration of credit risk arising from the swaps	-	-
The fair value of the swap book (Asset / (Liability))	7,856.71	674.75

b) Exchange Traded Interest Rate (IR) Derivative

The Company has not entered into any exchange traded derivative. The Company is not carrying out any activity of providing Derivative cover to third parties.

c) Disclosures on Risk Exposure in Derivatives

Qualitative Disclosures:

i) The Company undertakes the derivatives transaction to prudently hedge the risk in context of a particular borrowing or to diversify sources of borrowing and to maintain fixed and floating borrowing mix. The Company does not indulge into any derivative trading transactions. The Company reviews, the proposed transaction and outline any considerations associated with the transaction, including identification of the benefits and potential risks (worst case scenarios); an independent analysis of potential savings from the proposed transaction. The Company evaluates all the risks inherent in the transaction viz., counter party risk, Market Risk, Operational Risk, basis risk etc.

ii) Credit risk is controlled by restricting the counterparties that the Company deals with, to those who either have banking relationship with the Company or are internationally renowned or can provide sufficient information. Market/Price risk arising from the fluctuations of interest rates and foreign exchange rates or from other factors shall be closely monitored and controlled. Normally transaction entered for hedging, will run till its life, irrespective of profit or loss. However in case of exceptions it has to be un-winded only with prior approval of MD/ CFO/ Treasurer. Liquidity risk is controlled by restricting counterparties to those who have adequate facility, sufficient information, and sizable trading capacity and capability to enter into transactions in any markets around the world.

iii) The respective functions of trading, confirmation and settlement should be performed by different personnel. The front office and back-office role is well defined and segregated. All the derivatives transactions is quarterly monitored and reviewed by CFO and Treasurer. All the derivative transactions have to be reported to the board of directors on every quarterly board meetings including their financial positions.

Quantitative Disclosures: - Currency derivative

Foreign currency non-repatriate loans availed:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
i) Derivatives (Notional Principal Amount)		
- For hedging	33,363.64	36,780.31
ii) Marked to Market Positions		
a) Asset (+) Estimated gain	7,856.71	674.75
b) Liability (-) Estimated loss	-	-
iii) Credit Exposure	-	-
iv) Unhedged Exposures	-	-

Dvara Kshetriya Gramin Financial Services Private Limited
Notes to the consolidated financial statements for the the year ended March 31, 2026
(All amounts are in Indian Rupees in Lakhs, except share data and as stated)

46A Asset Liability Management

Maturity Pattern of certain items of Assets and Liabilities As at March 31, 2026

Particulars	1 day to 7 days	8 day to 14 days	15 day to 30/31 days	Over 1 month to 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities											
Borrowings from banks and others	2,101.12	282.53	5,273.50	4,097.85	9,008.87	16,228.27	24,924.53	58,851.53	47.70	0.00	120,815.90
Market borrowings (debt securities)	154.18	69.92	14.70	474.01	625.00	747.95	8,436.07	24,473.02	6,771.08	0.00	41,765.93
Subordinated Liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,366.63	11,783.42	4,222.48	17,372.53
Total	**2,255.30**	**352.45**	**5,288.20**	**4,571.86**	**9,633.87**	**16,976.22**	**33,360.60**	**84,691.18**	**18,602.20**	**4,222.48**	**179,954.36**
Assets											
Advances	8,046.27	4,652.31	8,159.42	8,328.25	8,113.55	23,094.46	39,559.98	74,161.74	881.12	34.52	175,031.62
Investments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11,282.27	0.00	0.00	11,282.27
Total	**8,046.27**	**4,652.31**	**8,159.42**	**8,328.25**	**8,113.55**	**23,094.46**	**39,559.98**	**85,444.01**	**881.12**	**34.52**	**186,313.89**

Maturity Pattern of certain items of Assets and Liabilities As at March 31, 2025

Particulars	1 day to 7 days	8 day to 14 days	15 day to 30/31 days	Over 1 month to 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities											
Borrowings from banks and others	4,644.72	652.36	3,385.12	3,518.34	5,184.66	16,125.50	24,146.99	39,806.27	5,866.63	-	103,330.59
Market borrowings (debt securities)	496.43	540.00	188.03	1,446.16	2,491.06	3,233.71	6,968.73	43,516.21	-	-	58,880.33
Subordinated Liabilities	1,801.58	-	4.86	-	168.81	130.84	-	-	8,316.22	3,449.59	13,871.89
Total	**6,942.72**	**1,192.36**	**3,578.00**	**4,964.50**	**7,844.53**	**19,490.05**	**31,115.72**	**83,322.48**	**14,182.84**	**3,449.59**	**176,082.81**
Assets											
Advances	5,954.27	7,231.79	1,640.36	9,635.79	9,550.15	28,343.38	51,379.16	73,638.72	747.07	58.32	188,179.00
Investments	-	-	1,874.72	-	-	-	88.30	-	-	-	1,963.02
Total	**5,954.27**	**7,231.79**	**3,515.08**	**9,635.79**	**9,550.15**	**28,343.38**	**51,467.46**	**73,638.72**	**747.07**	**58.32**	**190,142.02**

46B Public disclosure on Liquidity risk management

i. Funding concentration based on significant Counterparty *(both deposits and borrowings)

As at March 31, 2026

Number of significant counterparties	Amount (₹ in Crore)	Total Borrowings (%)	Total Liabilities (%)
17	1,637.95	91.02%	86.58%

As at March 31, 2025

Number of significant counterparties	Amount (₹ in Crore)	Total Borrowings (%)	Total Liabilities (%)
19	1,578.04	90.20%	85.95%

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

Not applicable. The Company being a Systemically Important Non-Deposit taking Non-Banking Financial Company registered with Reserve Bank of India does not accept public deposits.

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

As at March 31, 2026

Amount (Rs in Crore)	Total Borrowings (%)
1,434.40	79.71%

As at March 31, 2025

Amount (Rs in Crore)	Total Borrowings (%)
1,275.83	72.93%

iv. Funding concentration based on significant instrument / product*

As at March 31, 2026

Name of the instrument/ product	Amount (₹ in Cr)	Total liabilities(%)
Secured debentures from others	398.84	21.08%
Secured Bonds from other parties	170.61	9.02%
Term loan from banks	160.40	8.48%
Term loan from others	167.65	8.86%
Securitization borrowings	361.96	19.13%
External commercial borrowings	355.65	18.80%
Debentures	59.07	3.12%
Subordinated term loan from others	109.32	5.78%

As at March 31, 2025

Name of the instrument/ product	Amount (₹ in Cr)	Total liabilities(%)
Secured debentures from others	384.69	20.95%
Secured Bonds from other parties	159.05	8.66%
Unsecured debentures from others	40.20	2.19%
Term loan from banks	296.73	16.16%
Term loan from others	160.77	8.76%
Securitization borrowings	193.16	10.52%
External commercial borrowings	367.80	20.03%
Debentures	19.08	1.04%
Subordinated term loan from banks	15.20	0.83%
Subordinated term loan from others	102.88	5.60%

v. Stock Ratios

As at March 31, 2026

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)	0.00%	0.00%	0.00%
Other short-term liabilities	3.67%	3.49%	2.89%

As at March 31, 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)	0.00%	0.00%	0.00%
Other short-term liabilities	4.20%	4.00%	3.25%

46B Public disclosure on Liquidity risk management (continued)

vi. Institutional set-up for liquidity risk management

The Company's Board of Directors has the overall responsibility of management of liquidity risk. The Board decides the strategic policies and procedures of the Company to manage liquidity risk in accordance with the risk tolerance/limits decided by it.

The Company also has a Risk Management Committee, which is a sub committee of the Board and is responsible for evaluating the overall risk faced by the Company including liquidity risk.

Asset Liability Management Committee (ALCO) of the Company is responsible ensuring adherence to the risk tolerance/limits as well as implementing the liquidity risk management strategy of the Company.

***Notes**

1. 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 NBFCs.

2. 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.

3. Total Liabilities has been computed as sum of all liabilities (Balance Sheet figure) less Equity and Other equity.

4. “Public funds" shall include funds raised either directly or indirectly through public deposits, commercial paper, debentures, inter-corporate deposits and bank finance but excludes funds raised by issue of instruments compulsorily convertible into equity shares within a period not exceeding 10 years from the date of issue.

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47 Disclosure of frauds reported during the year ended March 31, 2026

Particulars	Less than INR 1 Lakh		More than INR 1 Lakh less than INR 25 Lakh		Above INR 25 Lakh		Total	
	Number of Instances	Rs. (in lakhs)	Number of Instances	Rs. (in lakhs)	Number of Instances	Rs. (in lakhs)	Number of Instances	Rs. (in lakhs)
During the year ended March 31, 2026								
Person involved:								
Staff	311.00	37.27	19.00	28.63	-	-	330.00	65.90
Outsiders	-	-	-	-	-	-	-	-
Type of fraud:								
Misappropriation and criminal breach of trust, manipulation of books of accounts, cheating and forgery	311.00	37.27	19.00	28.63	-	-	330.00	65.90
Others	-	-	-	-	-	-	-	-
Total	**311.00**	**37.27**	**19.00**	**28.63**	-	-	**330.00**	**65.90**
During the year ended March 31, 2025								
Person involved:								
Staff	318.00	38.99	21.00	46.05	1.00	71.00	340.00	156.04
Outsiders	-	-	-	-	-	-	-	-
Type of fraud:								
Misappropriation and criminal breach of trust, manipulation of books of accounts, cheating and forgery	318.00	38.99	21.00	46.05	-	-	340.00	156.04
Forgery with intention to commit fraud by making any false documentation/electric record	-	-	-	-	1.00	71.00	-	-
Others	-	-	-	-	-	-	-	-
Total	**318.00**	**38.99**	**21.00**	**46.05**	**1.00**	**71.00**	**340.00**	**156.04**

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48 Exposure to Real estate sector

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
A. Direct Exposure		
i. Residential Mortgages -	1,067.61	670.94
(Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented);		
ii. Commercial Real Estate –		
(Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits)	-	-
iii. Investments in Mortgage Backed Securities (MBS) and other securitised exposures –		
a) Residential	-	-
b) Commercial Real Estate	-	-

49 Exposure to capital market

The Company's loan portfolio comprises loans extended to individuals and groups of individuals. While certain loans are secured, none of them are secured by shares, bonds, debentures, units of equity-oriented mutual funds, or any other securities covered under the capital market exposure disclosure requirements prescribed by the RBI. Further, the Company's investments during the current and previous years were limited to Pass Through Certificates (PTCs), units of liquid mutual funds, unlisted equity shares, and Security Receipts (SRs) issued by Asset Reconstruction Companies (ARCs). Accordingly, the Company does not have any exposure to the capital market within the meaning of the RBI's capital market exposure disclosure framework, and therefore the related disclosures are not applicable.

50 Transfer of financial asset

i) Transfer of financial assets that are derecognised in their entirety

a) Direct Assignments

Sl no	Particulars	To permitted transferees	To other transferees
1	Aggregate principal outstanding of loans transferred (INR in lakhs)	17,992.57	Nil
2	Weighted average residual tenor of the loans transferred (in months)	15.18	Nil
3	Weighted average holding period after origination (in months)	8.61	Nil
4	Retention of beneficial economic interest	6.47%	Nil
5	Rating-wise distribution of rated Loans	NA	Nil
6	Instances where it has agreed to replace loans transferred to transferee	Nil	Nil
7	Pay damages arising out of any representation or warranty	NA	NA
8	Coverage of Tangible Security Coverage	Nil	NA

b) Transfer to Asset Reconstruction Company

S. No.	Particulars	To ARC	
		NPA	**SMA**
1	No. of accounts	59,971	15080
2	Aggregate principal outstanding of loans transferred (Rs. in lakhs)	18,005.16	5,116.40
3	Weighted average residual tenor of the loan transferred (in	8.79	13.97
4	Net book value of loans transferred (Rs. in lakhs) ^	8,374.44	5,110.14
5	Aggregate consideration (Rs. in lakhs)	15,225.00	
6	Additional consideration realized in respect of accounts transferred in earlier years (Rs. in lakhs)	NA	NA

* The aggregate principal outstanding does not includes consideration for 1,70,992 written off contracts with principal dues of Rs. 28,111.94 lakhs.

^ Net book value includes accrued interest (net of ECL provision)

The Security receipts (SR's) held and recovery ratings assigned to such SR's by the credit rating agency

Particulars	Category of recovery ratings	As at March 31, 2026
Security Receipts issued by CFMARC Trust – 186 (Trust floated hy CFM Asset Reconstruction Private Limited)	BWR RR1	8,047.43
Security Receipts issued by CFMARC Trust – 216 (Trust floated hy CFM Asset Reconstruction Private Limited)	Rating not yet due	3,234.84

50 Transfer of financial asset (continued)

ii) Transfer of financial assets that are not derecognised in their entirety

Particulars	**For the year ended March 31, 2026**	**For the year ended March 31, 2025**
1. No of SPVs sponsored by the NBFC for securitisation transactions	13	6
2. Total amount of securitised assets as per books of the SPVs sponsored by the NBFC	42,174.18	22,525.07
3. Total amount of exposures retained by the NBFC 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	4,495.56	1,975.37
Others	5,578.82	3,716.44
4 Amount of exposures to securitisation transactions other than MRR		
a) Off-balance sheet exposures		
i) Exposure to own securitisations		
First loss	-	-
Others	-	-
ii) Exposure to third party securitisations		
First loss		-
Others	-	-
b) On-balance sheet exposures		
i) Exposure to own securitisations		
First loss	-	-
Others	-	-
ii) Exposure to third party securitisations		
First loss	-	-
Others	-	-
Sale consideration received for the securitised assets and gain/loss on sale on account of securitisation $		
Form and quantum (outstanding value) of services provided ***		
Performance of facility;		
(a) Amount paid **	13,843.44	35,797.42
(b) Repayment received ^^	11,920.35	33,952.34
(c) Outstanding amount ^	36,196.28	19,315.92
(d) Servicing fee	9.05	13.00
Credit enhancement in the form of Loan (10% of pool amount) and cash collateral (5% of pool amount)	10,074.39	5,691.81

Average default rate of portfolios observed in the past. ##
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
Investor complaints (a) Directly/Indirectly received and; (b) Complaints outstanding
^ Principal outstanding/payable considered under collateralised borrowing from banks arising out of securitisation transaction in financial statement.
# Principal outstanding of the pool as at the year end
** Principal amount paid to Investor out of the collection made.
^^ Principal Collection made from the pool.
There were no securitisation/PTC transaction deal undertaken by Company in last 5 year (excluding the current running transaction).

*** Company considers the securitization as one of the mode of fund raising. As this do not meets the criteria for derecognition, the same remains on balance sheet item and the amount received is considered as borrowing. Company remits the interest payable and principal collection from the pool to the lender at periodic intervals as per the agreement.

51 Details of non- performing financial assets purchases / sold

The Company has not purchased or sold any non-performing financial assets during the year, except in connection with transactions undertaken with Asset Reconstruction Companies (ARCs), wherein certain stressed loan assets, including Non-Performing Assets (NPAs) and Special Mention Account (SMA) assets, were transferred. Please refer Note 53.1 for the details of such transfer.

52 Details of financing of Parent Company products

The Company has no exposures in this regard and accordingly disclosures in relation to this is not applicable.

53A Details of Single Borrower Limits (SBL)/ Group Borrower Limits (GBL) exceeded

During the years ended March 31, 2026 and March 31, 2025, the Company complied with the exposure norms prescribed by the Reserve Bank of India relating to Single Borrower Limits and Group Borrower Limits. Accordingly, there were no instances of breach of the prescribed limits during the respective years.

53B Unsecured Advances - Refer Note 7B

54 Advances against Intangible Securities

The Company has not granted any loans or advances against intangible securities during the year. Accordingly, the disclosure requirements relating to advances against intangible securities are not applicable to the Company.

55 Registration/ licence/ authorisation obtained from other financial sector regulators :

Regulator	Registration Number
Ministry of Corporate Affairs	U65991TN1993PTC024547
Reserve Bank of India	B-07-00627
Insurance Regulatory and Development Authority of India	CA0646

Registration / Licence	Authority issuing the registration	Registration / Licence reference
Certificate of Registration	Reserve Bank of India	B-07-00627 dated March 28, 2019
Certificate of Registration	Insurance Regulatory and Development Authority of India	CA0646 dated April 25, 2025

56 Penalties imposed by RBI and other regulators

During the financial year 2025–26, no fines or penalties have been imposed by the Reserve Bank of India (RBI) or any other regulatory authorities on the Company except for the below:

Applicable Regulation	Penalty levied by	Reason	Fine levied
Regulation 58 of SEBI (LODR) Regulations, 2015	Bombay Stock Exchange	Non-submission of Annual Report within prescribed timeline	Rs, 70,000/-
Regulation 51 read with Part B of Schedule III of SEBI (LODR) Regulations, 2015	Bombay Stock Exchange	Non-submission of Notice of General Meeting to BSE	Rs, 5,000/-

57 Exposure to Perpetual Debt Instruments (PDI)

The Company does not have any exposure to Perpetual Debt Instruments during the year ended March 31, 2026 and March 31, 2025.

58 Ratings

Particulars	Rating agency	Date of rating	For the year ended March 31, 2026	Date of Rating	For the year ended March 31, 2025
Bank facilities	CARE	3/30/2026	BBB Stable	3/5/2025	BBB+
	CARE-Short term	3/30/2026	A3+	3/5/2025	A2
	CRISIL	7/21/2025	BBB+ Stable	10/9/2024	BBB+
Subordinated debt issue	CRISIL	7/21/2025	BBB+ Stable	10/9/2024	BBB+
	CARE	3/30/2026	BBB Stable	3/5/2025	BBB+
Commercial Paper	CARE	3/30/2026	A3+	3/5/2025	A2
Non-convertible debentures - Long Term	CARE	3/30/2026	BBB Stable	05-03-2025	BBB+
	ACUITE*	1/23/2026	A Stable (Provisional)	07-03-2025	-
	CRISIL	7/21/2025	BBB+ Stable	09-10-2024	BBB+
Non-convertible debentures (MLD) - Long Term	CRISIL	-	-	09-10-2024	BBB+

59 Provisions and contingencies (shown under the head expenditure in the statement of profit and loss)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Impairment on financial assets*	9,070.43	11,900.34
Impairment loss allowance (receivables)	-	35.16
Provision for Income tax	98.18	1,042.80
Provision for gratuity	157.28	218.13
Provision for leave encashment	239.50	167.52

* Includes impairment on financial assets (stage 3) amounting to INR 3647.9 lakhs (March 31, 2025: INR 8780.07 lakhs). Also refer note 36

60 Draw down from reserves

The company has not made any drawdown from existing reserves during the year ended March 31, 2026 and March 31, 2025.

61 Concentration of advances

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Total advances to twenty largest borrowers	161.32	162.14
Percentage of advances to twenty largest borrowers to total advances	0.09%	0.09%

62 Concentration of exposures

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Total exposure to twenty largest borrowers	161.32	162.14
Percentage of exposures to twenty largest borrowers to total exposure	0.09%	0.09%

63 Concentration of NPA Contracts*

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Total exposure to top four NPA accounts	21.82	17.09

** represents stage 3 contracts*

64 Movement of Non-Performing Assets (NPA's)

	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(a)	**Net NPAs to net advances (%)**	**1.64%**	**3.91%**
	(Net of provision for NPAs)		
(b)	**Movement of gross NPAs**		
	Opening balance	15,559.77	5,528.55
	Additions during the year	5,160.31	14,804.95
	Reductions during the year (Refer note 50)	(14,215.18)	(4,773.74)
	Closing balance	**6,504.90**	**15,559.77**
(c)	**Movement of net NPAs**		
	Opening balance	6,779.70	2,288.49
	Additions during the year (net)	2,324.04	6,441.16
	Reductions during the year	(6,246.73)	(1,949.96)
	Closing balance	**2,857.00**	**6,779.70**
(d)	**Movement of provisions for NPAs (excluding contingent provisions against standard assets)**		
	Opening balance	8,780.07	3,240.06
	Provisions made during the year	2,836.27	8,363.79
	Write-off / write-back of excess provisions	(7,968.45)	(2,823.78)
	Closing balance	**3,647.89**	**8,780.07**

Note : NPA contracts represents Stage 3 contracts and the NPA Provision represents the Loss allowance on Stage 3 contracts. This is based on the yearly movement of NPA accounts. The Net advance is arrived at by adding back processing fee and deducting NPA provision to gross loans.

Movement of provisions held towards guarantees		
Opening balance	76.53	76.53
Add: Provisions made during the year	22.14	-
Less: Write off/ write back/ reversal of provision during the year	(74.21)	-
Closing balance	**24.46**	**76.53**

Note : The above disclosure also includes the loss allowance towards undrawn loans.

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

The Company does not own any overseas assets as at the reporting date. Accordingly, the disclosure requirements relating to overseas assets are not applicable.

66 Off-balance sheet SPVs sponsored

The Company has not sponsored any Special Purpose Vehicles (SPVs) that are required to be consolidated or disclosed separately in accordance with the applicable accounting standards. Accordingly, there are no off-balance sheet SPVs sponsored by the Company as at the reporting date.

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67 Customer complaints

	For the year ended March 31, 2026	For the year ended March 31, 2025
Complaints received from the customers		
1. No. of complaints pending at the beginning of the year	-	-
2. No. of complaints received during the year	852	4,251
3. No. of complaints disposed during the year	852	4,251
3.1. Of which, number of complaints rejected by the NBFC	-	-
4. No. of complaints pending at the end of the year	-	-
Complaints received from the office of ombudsman		
5. Number of maintainable complaints received by the NBFC from Office of Ombudsman	5	1
5.1. Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	5	1
5.2. Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	-	-
5.3. Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	-
6. Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
Current year					
Collection related	-	398.00	59%	1.00	1.00
Complaint against staff	-	223.00	53%	2.00	2.00
Disbursement Related	-	719.00	(269%)	2.00	2.00
HR Related	-	-	100%	-	-
Insurance & NPS	-	741.00	13%	-	-
Loan related	-	494.00	66%	-	-
Mitra Application	-	46.00	81%	-	-
Product Related	-	4.00	80%	-	-
Grand Total	**-**	**2,625.00**		**5.00**	**5.00**

Previous year					
Collection related	-	971.00	539%	-	-
Complaint against staff	-	472.00	219%	-	-
Disbursement Related	-	195.00	(52%)	-	-
HR Related	-	42.00	320%	-	-
Insurance & NPS	-	852.00	71%	-	-
Loan related	-	1,457.00	54%	-	-
Mitra Application	-	242.00	27%	-	-
Product Related	-	20.00	(33%)	-	-
Grand Total	**-**	**4251.00**	**-**	**0.00**	**0.00**

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68 Sector-wise NPAs (Percentage of NPA's to total advances in that sector)

	As at March 31, 2026			As at March 31, 2025		
Sectors	**Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ crore)**	**Gross NPAs (₹ crore)**	**Percentage of Gross NPAs to total exposure in that sector**	**Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ crore)**	**Gross NPAs (₹ crore)**	**Percentage of Gross NPAs to total exposure in that sector**
1. Agriculture and Allied Activities						
i)Dairy Loan	370.79	11.45	3.09%	355.13	22.24	6.26%
ii)Agricultural-cultivation	286.91	11.25	3.92%	322.71	24.25	7.52%
iii)Others	48.62	6.45	13.27%	77.50	12.93	16.68%
Total of Agriculture and allied activities (i+ii+iii)	**706.33**	**29.16**	**4.13%**	**755.34**	**59.42**	**7.87%**
2. Industry						
i)Expansion of existing business / setting additional business	300.23	18.89	**6.29%**	324.72	43.09	**13.27%**
ii)Purchase of additional stock / raw material	193.99	7.01	**3.61%**	197.30	9.81	**4.97%**
iii)Others	10.86	2.17	**19.98%**	25.50	7.04	**27.60%**
Total of Industry (i+ii+iii)	**505.07**	**28.07**	**5.56%**	**547.52**	**59.95**	**10.95%**
3. Services						
i)Cloth Shop	-	-	**0.00%**	5.42	1.32	**24.33%**
ii)Others	4.64	1.56	**33.72%**	13.04	4.46	**34.21%**
Total of Services (i+ii)	**4.64**	**1.56**	**33.72%**	**18.46**	**5.78**	**31.31%**
4. Personal Loans						
i)Household expenses	251.89	1.70	**0.67%**	227.60	15.01	**6.60%**
ii)Education-School/College	151.45	1.64	**1.08%**	96.10	5.36	**5.57%**
iii)Construction/purchase/repair House	83.80	1.06	**1.27%**	48.09	2.94	**6.11%**
iv)Loans for safe water and sanitation	64.11	1.19	**1.86%**	45.49	5.57	**12.24%**
v)Others	33.66	0.67	**1.99%**	143.65	1.57	**1.09%**
Total of Personal loans (i-v)	**584.91**	**6.26**	**1.07%**	**560.93**	**30.45**	**5.43%**
Total (1+2+3+4)	**1,800.94**	**65.05**	**3.61%**	**1,882.25**	**155.60**	**8.27%**

69 Business acquisition - Business Transfer Agreement with Saija Finance Private Limited

The Company owned a 25.9% stake in the Equity of Dvara KGFS Digital Services Private Limited ("DKGFS Digital").

During the financial year, the Company acquired 2,57,41,278 equity shares of Dvara KGFS Digital Services Private Limited from a shareholder on December 10, 2025. Consequent to the acquisition, the Company's shareholding in Dvara KGFS Digital Services Private Limited increased to 54.80% on an undiluted basis.

Accordingly, Dvara KGFS Digital Services Private Limited ceased to be an associate and became subsidiary w.e.f. November 28, 2026.

70 Transfer of Digital Business Undertaking

During the financial year, the Company transferred its digital business undertaking to Dvara KGFS Digital Services Private Limited pursuant to a Business Transfer Agreement (“BTA”) executed on November 28, 2025. The transfer was undertaken by way of a slump sale on a going-concern basis for a lump-sum consideration of Rs. 72.16 lakhs through Demand Promissory Note.

The digital business undertaking transferred comprised the Company’s digital services platform, associated technology infrastructure, software applications, and related assets and liabilities forming part of the Company’s digital business operations. Consequent to the completion of the transaction, the Company derecognised the assets and liabilities pertaining to the transferred undertaking in accordance with the applicable Indian Accounting Standards.

71 Audit Log

The Company maintains its books of account using accounting software that includes an audit trail (edit log) feature capable of capturing each transaction and any changes made to such transactions. This feature was enabled and operated throughout the financial year at the application level for all transactions recorded in the accounting software. The audit trail (edit log feature) has not been tampered with
For the audit trail at the database level:
(i) The audit trail functionality for the Loan Origination System (LOS) and Finezy (payment processing application) was not enabled during the year;

(ii) The audit trail feature for the Loan Management System (LMS) was enabled from December 16, 2025.

72 Code on Social Security

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

73 Other statutory disclosures

a) The borrowing from banks and financial institutions have been used for the purposes for which it was taken as at the balance date.

b) The Company does not have any Benami property where any proceeding has been initiated or pending against the company to holding any Benami property.

c) The Company does not have any transactions with Struck-off companies during the year ended March 31, 2026 and March 31, 2025.

d) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

e) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

f) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies) including foreign (Intermediaries) with the understanding 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 to or on behalf of the Ultimate Beneficiaries.

g) The Company has not received any fund from any person(s) or entity (ies). including foreign entities (Funding Party) with to 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 to or on behalf of the Ultimate Beneficiaries.

h) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any of relevant provisions of the Income Tax Act. 1961

i) There were no amounts required to be transferred to the Investor Education and Protection Fund (IEPF) during the year.

j) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of layers) Rules, 2017.

k) The Company did not have any long-term contract including derivative for which there were any material foreseeable losses.

74 Labour Codes

On November 21, 2025, the Government of India notified the four Labour Codes: the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020, consolidating 29 existing labour laws. The Ministry of Labour & Employment has also published draft Central Rules and FAQs to facilitate assessment of the impact arising from the revised regulatory framework. Based on the draft rules issued and the guidance provided by the Institute of Chartered Accountants of India, the Company has carried out a detailed evaluation of the potential implications of the Labour Codes, including the revised definition of wages, on its employee benefit obligations. Based on such assessment, the Company has determined that the implementation of the Labour Codes does not result in any material impact on the Statement of Profit and Loss for the period. The Company continues to monitor the finalisation of the Central and State Rules and any further clarifications issued by the Government. Any impact, if arising pursuant to such developments, will be evaluated and accounted for in accordance with the applicable accounting standards.

75 Additional Information as required under Schedule III of Companies Act, 2013, of enterprises consolidated as subsdiary

Particulars	As at March 31, 2026		As at March 31, 2025	
	Net assets, i.e total assets minus total liabilities		Net assets, i.e total assets minus total liabilities	
	As % of consolidated net assets	Amount (Rs. in lakhs)	As % of consolidated net assets	Amount (Rs. in lakhs)
Holding Company Dvara Kshetriya Gramin Financial Services Private Limited	99.77%	38,776.31	99.63%	42,414.96
Subsidiary Company				
Dvara KGFS Digital Services Private Limited (earlier known as "Saija Finance Private Limited")	0.07%	27.46	-0.05%	(23.33)
Consolidation adjustments	0.16%	62.10	0.43%	182.00
Total	**100.00%**	**38,865.87**	**100.00%**	**42,573.63**

Particulars	As at March 31, 2026			
	Share in profit or loss account		Share in total comprehensive income	
	As % of consolidated profit or loss	Amount (Rs. in lakhs)	As % of consolidated other comprehensive Income/(loss)	Amount (Rs. in lakhs)
Holding Company Dvara Kshetriya Gramin Financial Services Private Limited	102.83%	(3,683.97)	99.99%	(23.87)
Subsidiary Company				
Dvara KGFS Digital Services Private Limited (earlier known as "Saija Finance Private Limited")	-1.22%	43.81	3.57%	(0.85)
Consolidation adjustments	-1.61%	57.71	-3.56%	0.85
Total	**100.00%**	**(3,582.45)**	**100.00%**	**(23.87)**

Particulars	As at March 31, 2025			
	Share in profit or loss account		Share in total comprehensive income	
	As % of consolidated profit or loss	Amount (Rs. in lakhs)	As % of consolidated other comprehensive Income/(loss)	Amount (Rs. in lakhs)
Holding Company Dvara Kshetriya Gramin Financial Services Private Limited	100.00%	118.31	100.00%	3,510.80
Subsidiary Company				
Dvara KGFS Digital Services Private Limited (earlier known as "Saija Finance Private Limited")	0.00%	-	0.00%	-
Consolidation adjustments	0.00%	-	0.00%	-
Total	**100.00%**	**118.31**	**100.00%**	**3,510.80**

76 Previous period's figures have been regrouped / reclassified wherever necessary, to confirm with the current period presentation.

As per our report of even date
for Sharp & Tannan
Chartered Accountants
Firm's registration number: 003792S

For and on behalf of the Board of Directors of
Dvara Kshetriya Gramin Financial Services Private Limited
CIN : U65991TN1993PTC024547

P Rajesh Kumar
Partner
Membership No. 225366

Samir Amrit Shah
Director & Chairman
DIN: 00912693
Place : Chennai

LVLN Murty
MD & CEO
DIN : 09618861
Place : Chennai

Place : Chennai
Date : May 13, 2026

Abhik Sarkar
Chief Financial Officer
Place : Chennai
Date : May 13, 2026

Aravinthan B
Company Secretary
Membership No. A76929
Place : Chennai