Chaitanya India Fin Credit Private Limited

Corporate Identification Number (CIN): U67190MH2009PTC427833

Registered Office: Sunshine Tower, Level 20, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400 013, Maharashtra, India

Tel: 022 6141 5900 **Website:** https://www.chaitanyaindia.in

NOTICE CONVENING MEETING OF THE UNSECURED NON-CONVERTIBLE DEBENTURE HOLDERS OF CHAITANYA INDIA FIN CREDIT PRIVATE LIMITED ("THE COMPANY") [PURSUANT TO ORDER DATED JUNE 10, 2025 PASSED BY THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH ("NCLT")]

Day	Tuesday
Date	August 19, 2025
Time	4:00 p.m. (IST)
Mode of Meeting	Through Video Conferencing or Other Audio Video Means
Cut-off date for e-voting	December 31, 2024
Remote e-voting start date and time	August 16, 2025 at 9:00 a.m. (IST)
Remote e-voting end date and time	August 18, 2025 at 5:00 p.m. (IST)

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BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

MUMBAI BENCH

C.A. (CAA) / 80 (MB) / 2025

In the matter of the Companies Act, 2013

And

In the matter of Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 and rules made thereunder;

And

In the matter of Scheme of Amalgamation between Svatantra Holdings Private Limited ('First Transferor Company') and Chaitanya India Fin Credit Private Limited ('Second Transferor Company') with Svatantra Microfin Private Limited ('Transferee Company') and their respective shareholders ('Scheme')

Chaitanya India Fin Credit Private Limited)
CIN: U67190MH2009PTC427833)
is a Company incorporated under the)
Companies Act, 1956 having, its registered)
Office at Sunshine Tower, Level 20,)
Senapati Bapat Marg, Elphinstone Road,)
Mumbai – 400 013, Maharashtra, India.) …Second Applicant Company / Second Transferor Company

FORM No. CAA 2

[Pursuant to Section 230(3) of Companies Act, 2013 and Rule 6 of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016]

NOTICE CONVENING THE MEETING OF UNSECURED NON-CONVERTIBLE DEBENTURE HOLDERS OF CHAITANYA INDIA FIN CREDIT PRIVATE LIMITED

To,
The Unsecured Non-convertible Debenture Holders of
Chaitanya India Fin Credit Private Limited

NOTICE is hereby given that by an Order dated June 10, 2025 (**"Order"**), the Hon'ble National Company Law Tribunal, Mumbai Bench ("**NCLT**" or "**Tribunal**") in the above mentioned Company Scheme Application has directed *inter-alia,* a meeting of the Unsecured Non-convertible Debenture Holders (**"NCD Holders"**) of the Company, to be convened and held on August 19, 2025 through Video- Conferencing **("VC")** / Other Audio-Visual Means (**"OAVM"**), for the purpose of considering, and if thought fit, approving, with or without modification(s), the Scheme of Amalgamation between Svatantra Holdings Private Limited ('**First Transferor Company**') and Chaitanya India Fin Credit Private Limited ('**Second Transferor Company**' or **'Company'**) with Svatantra Microfin Private Limited ('**Transferee Company**') and their respective shareholders ('**Scheme**'), pursuant to the provisions of Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 (**"Act"**) and rules made thereunder.

In pursuance of the said Order and as directed therein, further Notice is hereby given that Meeting of the NCD Holders of the Company (**"NCLT Convened Meeting"** or **"Meeting"**) will be convened and held through VC/OAVM in compliance with Secretarial Standard-2 (**"SS-2"**), the applicable provisions of the Act and circulars thereunder, on August 19, 2025 at 4:00 p.m. (IST) at which date and time, the NCD Holders of the Company are requested to attend the Meeting through VC/OAVM.

A copy of the Scheme, the Explanatory Statement under Section 102, Sections 230 to 232 and other applicable provisions of the Act and Rule 6 of the Merger Rules, along with the enclosures as indicated in the index, are enclosed. The Notice of this Meeting, together with the documents accompanying the same, is being sent through electronic mode to those NCD Holders of the Company as on December 31, 2024, whose email ID's are registered/available with the Registrar and Transfer Agent/Depositories/Second Transferor Company and physical copy of the said notice will be sent to

those NCD Holders whose email IDs are not registered/available with the Registrar and Transfer Agent/Depositories/ Second Transferor Company or who request for the same. A copy of this Notice and the accompanying documents, including the Scheme, will be hosted on the website of the Company at https://www.chaitanyaindia.in, the website of National Securities Depository Limited ('NSDL') at www.evoting.nsdl.com being the E-voting agency appointed by the Company to provide remote e-voting /e-voting and other facilities for the Meeting and the website of BSE Limited ("BSE") at www.bseindia.com.

A copy of the Scheme along with the Explanatory Statement can be obtained free of charge, from the date of dispatch of the Notice upto the date of the Meeting on any day (except Saturday, Sunday and public holidays) during business hours from the Registered Office of the Company or by sending a request, along with details of your outstanding amount in the Company, by e-mail at neeraj.m.jain@svatantra.adityabirla.com.

As per the directions of the Hon'ble NCLT, Mr. S.N. Ananthasubramanian, Practicing Company Secretary (M.No. F4206), or failing him Mr. Rajesh Somani Practicing Company Secretary (M. No. F7181), has been appointed as the Chairperson of the Meeting. The Hon'ble NCLT has appointed Ms. Dipika Biyani, Practicing Company Secretary (Membership No. F9590), as a Scrutinizer for the Meeting to scrutinize the process of remote e-voting prior to the Meeting as well as e-voting during the Meeting to ensure that it is conducted in a free and transparent manner. The Scheme, if approved at the Meeting, will be subject to the subsequent approval of the Hon'ble NCLT and such other approvals, permission and sanctions of regulatory or other authorities, as may be necessary and as contemplated in the Scheme.

TAKE NOTICE that the NCD Holders shall have the facility and option of voting during the Meeting and in addition to the same, the NCD Holders shall have the facility and option of voting on the resolution for approval of the Scheme by casting their votes through remote e-voting prior to the Meeting during the period commencing from 9:00 a.m. (IST) on August 16, 2025 and ending at 5:00 p.m. (IST) on August 18, 2025. The voting rights of NCD Holders shall be in proportion to the amount due to them as on December 31,2024, being the cut-off date (**"Cut-off Date"**). A person who is an NCD Holder of the Company as on the Cut-off Date only, shall be entitled to vote on the proposed resolution. The NCD Holders opting to cast their votes by remote e-voting or e-voting during the Meeting are requested to read the instructions in the Notes of this Notice for further details on remote e-voting and e-voting during the Meeting.

TAKE FURTHER NOTICE that in pursuance of Section 113 of the Act read with Rule 10 of Merger Rules, where a body corporate is a debenture holder, authorizes any person to act as its authorized

representatives at the Meeting, may be appointed for the purpose of voting through remote e-voting, for participation in the Meeting through VC/OAVM facility and e-voting during the Meeting provided a copy of the resolution of the Board of Directors or other governing body of such corporate authorizing such person to act as its representative at the meeting, and certified to be a true copy by a director, the manager, the secretary, or other authorized officer of such body corporate is filed with the Company in physical or electronic mode, at its registered office or emailed to the Company Secretary of the Company and Scrutinizer of the Meeting at neeraj.m.jain@svatantra.adityabirla.com and dipika@deltaadvisors.co.in respectively, not later than 48 (forty-eight) hours before the time scheduled for holding the Meeting. The NCD Holders are requested to consider, and if thought fit pass, the following Resolutions:

*"**RESOLVED THAT** in terms of Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, Regulation 59A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), relevant provisions in the Memorandum of Association and the Articles of Association of the Company, the Securities and Exchange Board of India Master Circular bearing no. SEBI/HO/DDHS/DDHS-PoD-1/P/CIR/2024/48 dated 21st May, 2024 ("SEBI Circular") and any other applicable provisions of any other law and any directions, guidelines or regulations, if any, of the appropriate authorities, to the extent applicable (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and subject to the approval of the Hon'ble National Company Law Tribunal, (hereinafter referred to as **"Hon'ble Tribunal"** / **"NCLT"**) and/or such other forum, authority or stakeholders, as may be applicable, and subject to such terms and conditions and modifications as may be prescribed by any of the aforesaid appropriate authorities while granting such approvals, consents, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the Board, which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any other person authorised by the Board to exercise its powers including the powers conferred by this Resolution) the proposed Scheme of Amalgamation between Svatantra Holdings Private Limited ('**First Transferor Company**') and Chaitanya India Fin Credit Private Limited ('**Second Transferor Company**') with Svatantra Microfin Private Limited ('**Transferee Company**') and their respective shareholders ('**Scheme**'), as per the draft enclosed with this Notice, be and is hereby approved."*

***"RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem desirable, appropriate or necessary, to give effect to this Resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, at any time and*

for any reason whatsoever, which may be required and/or imposed by the Hon'ble NCLT or its Appellate Authority(ies) while sanctioning the arrangement embodied in the Scheme or by any regulatory or statutory authority(ies), or as may be required for the purpose of resolving any doubts or difficulties that may arise while giving effect to the Scheme, as the Board may deem fit and proper, without being required to seek any further approval of the Unsecured Non-convertible Debenture Holders and the Unsecured Non-convertible Debenture Holders shall be deemed to have given their approval thereto expressly by authority under this Resolution."

*"**RESOLVED FURTHER THAT** the Board may delegate all or any of its powers herein conferred to any Director(s) and / or officer(s) and / or employee(s) of the Company, to give effect to this Resolution, if required, as it may in its absolute discretion deem fit, necessary or desirable, without any further approval from the Unsecured Non-convertible Debenture Holders of the Company."*

Sd/-
S.N. Ananthasubramanian
Chairperson appointed for the Meeting

Date: 27th June 2025

Place: Mumbai

Registered Office:
Sunshine Tower, Level 20, Senapati Bapat Marg,
Elphinstone Road, Mumbai – 400 013,
Maharashtra, India.
Tel: +91 22 6141 5900
CIN: U67190MH2009PTC427833

NOTES:

1. Pursuant to the directions of the Hon'ble NCLT, Mumbai Bench vide its Order dated June 10, 2025, the Meeting of the NCD Holders of the Second Transferor Company is being conducted through Video Conferencing (**"VC"**) / Other Audio Visual Means (**"OAVM"**) facility to transact the business set out in the Notice convening this Meeting. The Meeting will be conducted in compliance with the provisions of the Act, SS-2, and the requirements prescribed by various circulars issued by the Ministry of Corporate Affairs for holding general meetings through

VC/OAVM and providing facility of e-voting (**"MCA Circulars"**). Accordingly, the meeting of the NCD Holders of the Company will be convened on Tuesday, August 19, 2025 at 4:00 p.m. (IST), through VC/OAVM, for the purpose of considering, and if thought fit, approving, with or without modification(s), the Scheme. In accordance with the MCA circulars, the deemed venue for the Meeting shall be the Registered Office of the Company.

2. Since the meeting is being held through VC/ OAVM pursuant to the Order of the Hon'ble NCLT and MCA Circulars, physical attendance of the NCD Holders has been dispensed with. Accordingly, the facility for appointment of proxies by the NCD Holders will not be available for the Meeting and hence the proxy form, route map and attendance slip are not annexed to this Notice.

3. The Statement pursuant to Sections 102, 230 to 232 of the Act read with other applicable provisions of the Act, and Merger Rules is annexed to this Notice.

4. As per the directions provided in the Order of the Hon'ble NCLT, and in compliance with the MCA Circulars, the Notice of the Meeting and the accompanying documents mentioned in the Index are being sent ONLY through electronic mode to those NCD Holders of the Second Transferor Company whose email ID's are registered/available with the Registrar and Transfer Agent/Depositories/Second Transferor Company and physical copy of the said notice will be sent to those NCD Holders whose email ID's are not registered/available with the Registrar and Transfer Agent/Depositories/Second Transferor Company or who request for the same.

5. The Notice convening the Meeting will be published through advertisement in (i) Business Standard in English language; and (ii) Navshakti in Marathi language having wide circulation in Maharashtra i.e., the state where the Registered Office of the Company is situated, indicating the day, date, and time of the Meeting and stating that the copy of the Scheme, the Notice and the Explanatory Statement as required to be furnished pursuant to Section 102 read with Sections 230 to 232 of the Act read with Rule 11 of the Merger Rules can be obtained free of charge by sending a request to the Company at neeraj.m.jain@svatantra.adityabirla.com.

6. The NCD Holders may note that the copy of Notice and the accompanying documents mentioned in the Index are also available on the website of the Company at https://www.chaitanyaindia.in, on the website of BSE at www.bseindia.com and on the website of NSDL at www.evoting.nsdl.com.

7. Facility to join the Meeting shall be opened thirty minutes before the scheduled time of the Meeting. The NCD Holders will be able to view the live proceedings of the Meeting on the NSDL's e-voting website at www.evoting.nsdl.com. The facility of participation at the Meeting through VC/OAVM will be made available to NCD Holders on a first come first served basis as per

MCA Circulars.

8. In accordance with the requirements of Section 113 of the Act read with Rule 10 of the Merger Rules, where a body corporate is a debenture holder, authorizes any person to act as its authorized representatives at the meeting, may be appointed for the purpose of voting through remote e-voting, for participation in the Meeting through VC/OAVM facility and e-voting during the Meeting provided a copy of the resolution of the Board of Directors or other governing body of such corporate authorizing such person to act as its representative at the meeting, and certified to be a true copy by a director, the manager, the secretary, or other authorized officer of such body corporate is filed with the Company in physical or electronic mode, at its registered office or emailed to the Company Secretary of the Company and Scrutinizer of the Meeting at neeraj.m.jain@svatantra.adityabirla.com and dipika@deltaadvisors.co.in respectively, not later than 48 (forty-eight) hours before the time scheduled for holding the Meeting.

9. The attendance of the NCD Holders joining the Meeting through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Act.

10. NCD Holders shall have the option to vote electronically ("e-voting") either before the Meeting ("remote e-voting") or during the Meeting. In accordance with the regulatory requirements as prescribed by the Hon'ble NCLT, the facility for remote e-voting and e-voting during the Meeting in respect of the business to be transacted at the Meeting is being provided by the Company through NSDL. Necessary arrangements have been made by the Company with NSDL to facilitate remote e-voting and e-voting during the Meeting.

11. Voting rights of NCD Holders shall be reckoned in proportion to the amount due to them as on the Cut-off Date i.e. December 31,2024 ("Cut-Off Date").

12. ONLY a person, who is an NCD Holder of the Company as on the Cut-off Date (i.e. December 31,2024) shall be entitled to exercise his/ her/ its voting rights on the resolution proposed in the Notice and attend the Meeting.

13. It is clarified that casting of votes by remote e-voting (prior to the Meeting) does not disentitle NCD Holders from attending the Meeting. However, after exercising right to vote through remote e-voting prior to the Meeting, NCD Holders shall not vote again at the Meeting.

14. Instructions for e-voting and joining the Meeting through VC/OAVM are, as under :

A. Process and Manner for NCD Holders voting through Electronic Means:

(i) In compliance with the provisions of Section 108 of the Act read with Rule 20 of the

Companies (Management and Administration) Rules, 2014, the Company is pleased to offer the facility of voting through electronic means in respect of the business set out in the Notice. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorized agency.

(ii) The facility of casting votes by NCD Holders using remote e-voting system as well as e-voting on the date of the Meeting will be provided by NSDL.

(iii) NCD Holders as on the Cut-off Date (i.e. December 31,2024), will be entitled to avail the facility of remote e-voting as well as e-voting at the Meeting.

(iv) The facility of voting through electronic means would also be made available at the Meeting and the NCD Holders present in the Meeting through VC/OAVM facility who have not already cast their votes by remote e-voting shall be able to exercise their right of voting through e-voting system during the Meeting. The NCD Holders who have already cast their vote by remote e-voting prior to the Meeting, may also attend/participate in the Meeting through VC/OAVM but shall not be entitled to cast their vote again.

(v) The remote e-voting module on the day of the Meeting shall be disabled by NSDL for voting, 15 minutes after the conclusion of the Meeting.

(vi) The procedure and instructions for remote e-voting and joining the Meeting on NSDL e-voting System for NCD Holders are provided below.

B. Instructions for NCD Holders

Step 1: Access to NSDL e-Voting system

I. **Login method for e-Voting and joining virtual Meeting for Individual Debenture Holders holding securities in demat mode**

a) Individual Debenture Holders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Debenture Holders are accordingly, advised to update their mobile number and email id in their demat accounts in order to access the e-voting facility.

b) Login method for Individual Debenture Holders holding securities in demat mode is given below:

Type of Debenture Holders	Login Method
Individual Debenture Holders holding securities in demat mode with NSDL.	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are already registered for **NSDL IDeAS facility**, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "**Beneficial Owner**" icon under "**Login**" which is available under "**IDeAS**" section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on "**Access to e-Voting**" under e-voting services and you will be able to see e-voting page. Click on options available against the Company name or "**e-voting service provider - NSDL**" and you will be re-directed to NSDL e-voting website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. 3. If the user is not registered for **IDeAS** e-Services, option to register is available at

	https://eservices.nsdl.com. Select "**Register Online for IDeAS**" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. 4. Alternatively, the user can directly access e-Voting page by visiting the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "**Login**" which is available under 'Shareholder/ Member/Creditor' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on options available against the Company name or "**e-voting service provider- NSDL**" and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual Meeting & voting during the Meeting. 5. Debenture Holders can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play

Individual Debenture Holders holding securities in demat mode with Central Depository Services (India) Limited ("CDSL")	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing Myeasi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by Company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting Service Providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN from an e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.

Individual Debenture Holders login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. Once you login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL depository site after successful authentication, wherein you can see e-voting feature. Click on options available against the Company name or "e-Voting service provider-NSDL" and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.

Important note:

Debenture Holders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned websites.

c) Helpdesk for Debenture Holders for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	**Helpdesk details**
Individual Debenture Holders holding debentures in demat mode with NSDL	Debenture Holders facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call on: 022-4886 7000.
Individual Debenture Holders holding debentures in demat mode with CDSL	Individual Debenture Holders facing any technical issue in login can helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 1800 21 09911.

II. **Login Method for e-voting for Debenture Holders other than Individuals viz. Institutions and Corporate Debenture Holders holding securities in demat mode and for Debenture Holders holding securities in physical mode**

a) Visit the e-voting website of NSDL. Open web browser by typing the following URL:

https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

b) Once the home page of e-voting system is launched, click on the icon "Login" which is available under "Shareholders /Member/Creditors" section.

c) A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services i.e. IDeAS, you can log-in at https://eservices.nsdl.com/ with your existing IDeAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically.

Your User ID details are given below:

Manner of holding securities i.e. Demat (NSDL or CDSL) or Physical	**Your User ID is:**
For Debenture Holders who hold securities in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
For Debenture Holders who hold securities in demat account with CDSL	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12********** then your user ID is 12**********.
For Debenture Holders who hold securities in Physical Form	EVEN Number followed by Folio Number registered with the Company For example, if Folio number is 001*** and EVEN number is 101456 then user ID is 101456001***

a) Details of Password for Debenture Holders other than Individual Debenture Holders are, given below:

- If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-voting system for the first time, you will need to retrieve the "initial password" which was communicated to you. Once you retrieve your

"initial password", you need to enter the "initial password" and the system will force you to change your password.

- How to retrieve your "initial password"?

  i. If your email ID is registered in your demat account or with the Company, your "initial password" is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. pdf file. The password to open the pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or Folio number for debentures held in physical form. The pdf file contains your "User ID" and your "initial password".

  ii. If your email ID is not registered, please follow steps mentioned below in Point No. (III) - Process for those Debenture Holders whose email ID's are not registered.

b) If you are unable to retrieve or have not received the "initial password" or have forgotten your password:

- Click on "**Forgot User Details/Password?**" (If you are holding securities in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- "**Physical User Reset Password?**" (If you are holding debentures in physical mode) option available on www.evoting.nsdl.com.
- If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/Folio number, your PAN, your name and your registered address.
- Debenture Holders can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.

c) After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

d) Click on "Login" button.

e) After you click on the "Login" button, Home page of e-voting will open.

Step 2 - Cast your vote electronically on NSDL e-voting system

a) After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares / debentures and whose voting cycle and Meeting is in

active status.

b) Select “EVEN” of the Company for which you wish to cast your vote during the remote e-voting period or for casting your vote during the Meeting.

c) Now you are ready for e-voting as the Voting page opens.

d) Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of debentures for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.

e) Upon confirmation, the message “Vote cast successfully” will be displayed.

f) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

g) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

III. **Process for those Debenture Holders whose email ID’s are not registered with the depositories for procuring user ID and password and registration of e-mail ID’s for e-voting for the resolutions set out in this Notice:**

a. If you are a Debenture Holder holding debentures in physical mode please provide Folio No., Name of Debenture Holder, scanned copy of the Debenture certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) by an email to neeraj.m.jain@svatantra.adityabirla.com.

b. If you are a Non-Individual Debenture Holder viz. Institutions and Corporate Debenture Holder holding debentures in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement and PAN (self-attested scanned copy of PAN card) by an email to neeraj.m.jain@svatantra.adityabirla.com.

c. Alternatively, Debenture Holders may also send a request to evoting@nsdl.com for procuring user ID and password for e-voting by providing above mentioned documents.

d. If you are an Individual Debenture Holder holding debentures in demat mode, you are requested to refer to the login method explained at step 1 (I) i.e. Login method for e-Voting and joining virtual Meeting for Individual Debenture Holders holding securities in demat mode.

C. Instructions for NCD Holders for attending the Meeting through VC/OAVM:

(i) NCD Holders will be provided with a facility to attend the Meeting through VC/OAVM through the NSDL e-voting system. NCD Holders may access the same by following the steps mentioned above for "Access to NSDL e-voting system". After successful login, you can see link of "VC/OAVM link" placed under "**Join Meeting**" menu against the Company name. You are requested to click on VC/OAVM link placed under "**Join Meeting**" menu. The link for VC/OAVM will be available in Shareholder/Member/Creditor login where the EVEN of the Company will be displayed.

(ii) NCD Holders can participate in meeting through Laptop/Desktop/Mobile devices, however, for better experience and smooth participation, it is advisable to join the Meeting through Laptops connected through broadband. Further, the NCD Holders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the Meeting. Please note that Participants connecting from Mobile devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is, therefore, recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

(iii) NCD Holders who would like to express their views or ask questions during the Meeting may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/Folio Number, PAN, Mobile number at neeraj.m.jain@svatantra.adityabirla.com between August 11, 2025 (9:00 a.m.) to August 13, 2025 (5:00 p.m.). Those NCD Holders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the Meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the Meeting.

D. General Information for the NCD Holders

(i) Only those NCD Holders, who will be present in the NCD Holders meeting through VC/ OAVM facility and have not casted their vote on the resolution through remote e-Voting shall be eligible to vote through e-Voting system in the NCD Holders Meeting.

(ii) It is strongly recommended that you do not share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset

Password?" option available on www.evoting.nsdl.com to reset the password.

(iii) An NCD Holder who has not received the User ID and Password may obtain the same by sending a request at evoting@nsdl.com or neeraj.m.jain@svatantra.adityabirla.com. Such NCD Holders are requested to provide their name, address, PAN and e-mail address along with the request.

(iv) NCD Holders as on Cut-off Date whose email address is not registered with the Company / Registrar and Transfer Agent / Depositories may send a request to the Company at neeraj.m.jain@svatantra.adityabirla.com for one time registration of their email address along with their Name, PAN and DP ID & Client ID, for receiving the Notice of this meeting and casting vote electronically.

Sd/-
S.N. Ananthasubramanian

Chairperson appointed for the Meeting

Date: 27th June 2025

Place: Mumbai

Registered Office:

Sunshine Tower, Level 20,
Senapati Bapat Marg, Elphinstone Road,
Mumbai, 400 013, Maharashtra, India
Tel: +91 22 6141 5900
CIN: U67190MH2009PTC427833

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

MUMBAI BENCH

C.A. (CAA) / 80 (MB) / 2025

In the matter of the Companies Act, 2013

And

In the matter of Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 and rules made thereunder;

And

Scheme of Amalgamation between Svatantra Holdings Private Limited ('**First Transferor Company**') and Chaitanya India Fin Credit Private Limited ('**Second Transferor Company**') with Svatantra Microfin Private Limited ('**Transferee Company**') and their respective shareholders ('**Scheme**')

Chaitanya India Fin Credit Private Limited)
CIN: U67190MH2009PTC427833)
is a Company incorporated under the)
Companies Act, 1956 having, its registered)
Office at Sunshine Tower, Level 20,)
Senapati Bapat Marg, Elphinstone Road,)
Mumbai – 400 013, Maharashtra, India.) …Second Applicant Company / Second Transferor Company

EXPLANATORY STATEMENT UNDER SECTIONS 230(3) AND 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 AND OTHER APPLICABLE LAWS

I. **Meeting for the Scheme:**

This is a Statement accompanying the Notice convening the meeting of the Unsecured Non-convertible Debenture Holders ('NCD Holders') of Chaitanya India Fin Credit Private Limited ('Company') as per the directions given by the Hon'ble NCLT vide its Order dated June 10, 2025

passed in the Company Scheme Application No. C.A (CAA)/80 (MB)/2025. The Meeting is scheduled to be held on Tuesday, August 19, 2025 at 4:00 p.m. (IST), through VC/OAVM for the purpose of considering, and if thought fit, approving, with or without modification(s), the proposed Scheme of Amalgamation between Svatantra Holdings Private Limited ('First Transferor Company' or 'SHPL') and Chaitanya India Fin Credit Private Limited ('Second Transferor Company' or 'CIFCPL' 'Company') with Svatantra Microfin Private Limited ('Transferee Company' or 'SMPL') and their respective shareholders ('Scheme') under the provisions of Sections 230 to 232 read with Section 66 of the Companies Act, 2013 ("Act") and other applicable provisions of the Companies Act, 2013 and rules and regulations framed thereunder.

The NCD Holders of the Company would be entitled to vote by remote e-voting prior to the Meeting or by e-voting during the Meeting. Also, e-voting will be kept open for 15 minutes after the conclusion of the Meeting to enable the NCD Holders who have not cast their votes to vote through e-voting system at the Meeting. The quorum of the Meeting shall be as per Section 103 of the Act present through VC/OAVM.

In terms of the said Order, the Hon'ble NCLT has appointed Mr. S.N. Ananthasubramanian, Practicing Company Secretary (M.No. F4206), or failing him Mr. Rajesh Somani Practicing Company Secretary (M. No. F7181), has been appointed as the Chairperson of the Meeting. The Hon'ble NCLT has appointed Ms. Dipika Biyani, Practicing Company Secretary (Membership No. F9590), as a Scrutinizer for the Meeting.

The Scheme provides for the amalgamation between First Transferor Company and Second Transferor Company with Transferee Company, the dissolution of First Transferor Company and Second Transferor Company without winding up.

A copy of the Scheme is enclosed herewith as **Annexure 1**.

II. **Need, Rationale, Benefits of the Scheme of Amalgamation and Salient Features of the Scheme:**

a. The objects/ rationale of the proposed Scheme is as under:

i) Enabling geographical diversification of the portfolio, coverage of complementary markets and consumer segments in line with focused strategy of building a comprehensive gross loan portfolio; entering newer markets and driving penetration

thereby strengthening the position of being amongst the largest NBFC-MFI in the microfinance market.

ii) Simplification of the group structure. Further, pursuant to the Scheme Svatantra Micro Housing Finance Corporation Limited will become a direct wholly owned subsidiary of the Transferee Company.

iii) Enabling creation of well diversified and large borrowing book with significantly improvement in portfolio quality and cost efficiencies thereby providing potential and ability to reprice liabilities in the combined entity, generating higher spread for the combined organization.

iv) The Amalgamation will create value for and would be in the interest of various stakeholders including shareholders, creditors, debenture holders, customers, and employees as combined entity will benefit from increased scale, product and geographical diversification, stronger balance sheet, availability of talent in financial, managerial and technical resources of the First Transferor Company, Second Transferor Company and the Transferee Company pooled together amongst others, leading to synergies, cost reduction and efficiencies.

v) Avoidance of duplication of administrative functions, reduction in multiplicity of legal and regulatory compliances and cost.

vi) Access to a large client base and availability of increased resources, expertise and assets in the Transferee Company can be utilized for further strengthening the customer base and servicing its existing as well prospective customers

b. Salient Features of the Scheme:

i) The Scheme is presented under Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 and rules made thereunder for Scheme of Amalgamation between Svatantra Holdings Private Limited ('First Transferor Company') and Chaitanya India Fin Credit Private Limited ('Second Transferor

Company') with Svatantra Microfin Private Limited ('Transferee Company') and their respective shareholders ('Scheme').

ii) The First Transferor Company, Second Transferor Company and the Transferee Company shall, as may be required, make petitions under Section 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 and rules framed thereunder (including any statutory modification or re-enactment or amendment thereof) to the Mumbai Bench of the National Company Law Tribunal for sanction of the Scheme and all matters ancillary or incidental thereto.

iii) "Appointed Date" means 1st day of April 2025 or such other date as may be fixed or approved by NCLT and which is acceptable to the Board of Directors

iv) "Effective Date" means the date on which the certified copy of the order of the Tribunal sanctioning the Scheme is filed by the First Transferor Company, Second Transferor Company and the Transferee Company with the Registrar of Companies after the last of the other conditions specified in Clause 23 of the Scheme are fulfilled with respect to the Scheme or the requirement of which have been waived (in writing) in accordance with the Scheme.

v) Upon the Scheme becoming effective and in consideration of the transfer and vesting of all the assets and liabilities of the First Transferor Company into the Transferee Company in accordance with the Scheme, the Transferee Company shall issue and allot equity shares to the shareholders of the First Transferor Company in the following manner:

<u>To the equity shareholders of the First Transferor Company:</u>

9 Equity Shares having face value of INR 10/- each of Transferee Company to be issued to the equity shareholders of the First Transferor Company for every 52 Equity Share having face value of INR 10/- each held in the First Transferor Company.

<u>To the preference shareholders of the First Transferor Company</u>

90 Equity Shares having face value of INR 10/- each of Transferee Company to be issued to the preference shareholders of the First Transferor Company for every 52 preference share having face value of INR 100/- each held in the First Transferor Company.

Given that the Second Transferor Company is a wholly owned subsidiary of the Transferee Company, where the entire issued, subscribed and paid-up share capital is held by the Transferee Company (and its nominees), there shall be no consideration required to be discharged to the equity shareholders of the Second Transferor Company upon amalgamation of the Second Transferor Company with the Transferee Company.

vi) Conditionalities to the Scheme: Clause 23 of the Scheme is reproduced below-

"The Scheme is conditional upon and subject to the following:

23.1. The receipt of requisite approval from RBI as per the Applicable Law.

23.2. Pursuant to the provisions of the Competition Act, 2002 (including any statutory modification or re-enactment thereof) and the rules and regulations thereunder, the first of the CCI (or any appellate authority in India having appropriate jurisdiction) having either:

a. *granted approval for acquisition of Svatantra Micro Housing Finance Corporation Limited by the Transferee Company pursuant to the Scheme; or*

b. *been deemed to have granted approval for acquisition of Svatantra Micro Housing Finance Corporation Limited by the Transferee Company pursuant to the Scheme through the expiration of time periods available for their investigation.*

23.3. Obtaining no-objection/ observation letter from Stock Exchange / SEBI in relation to the Scheme under Regulation 59A of the LODR read with the SEBI Scheme Circulars.

23.4. Approval of the Scheme by the requisite majorities of the classes of the shareholders, creditors, debenture holders (where applicable) of the Transferor Companies and the Transferee Company, as required under the Act, or dispensing the meetings, as may be directed by the NCLT.

23.5. Sanction of the Scheme by NCLT under Sections 230 and 232 read with Section 66 of the Act in favour of Transferor Companies and Transferee Company, as the case may be, under the said provisions and to the necessary order

sanctioning the Scheme being obtained.

23.6. Certified copy of the order of the NCLT sanctioning the Scheme being filed with the Registrar of Companies, by each of the Transferor Companies and Transferee Company.

23.7. The requisite consent, approval or permission of any other statutory or regulatory authority, which by law may be necessary for the implementation of this Scheme.

23.8. Satisfaction or waiver of such other conditions as may be mutually agreed between the Companies."

vii) The Scheme, inter-alia, provides for the following matters:

1) The transfer of the business of the First Transferor Company and the Second Transferor Company on a going concern basis to the Transferee Company and vesting of the same in the Transferee Company;

2) The transfer of all assets, properties, rights, titles, and interests of whatsoever nature, whether tangible or intangible, movable or immovable, corporeal or incorporeal, present or contingent, belonging to or in the possession of the First Transferor Company and the Second Transferor Company, including but not limited to land and buildings, plant and machinery, vehicles, investments, licenses, permits, approvals, contracts, intellectual property, books and records, cash, bank balances, loans given, deposits, receivables, actionable claims, and all other assets and properties, to the Transferee Company and vesting of the same in the Transferee Company;

3) The transfer of all debts, borrowings, duties, obligations, and liabilities of the First Transferor Company and the Second Transferor Company to the Transferee Company;

4) All employees of the First Transferor Company and the Second Transferor Company shall, upon the Scheme becoming effective, become employees of the Transferee Company, on terms and conditions not less favourable than those applicable to them prior to the amalgamation, with continuity of service and without any break or interruption in service.

5) All tax liabilities, tax payments (including TDS, TCS, GST etc.), tax refunds, tax

credits (including MAT Credit, GST input credits), and proceedings under applicable tax laws of the First Transferor Company and the Second Transferor Company as on or after the appointed date shall stand transferred to and be deemed to be those of the Transferee Company. The Transferee Company shall be entitled to revise returns, claim deductions, and continue tax proceedings in place of the First Transferor Company and the Second Transferor Company, as required.

6) All legal proceedings (including suits, appeals or other proceedings) by or against the First Transferor Company and the Second Transferor Company pending as on the effective date shall be continued, prosecuted and enforced by or against the Transferee Company as if the proceedings had originally been instituted by or against the Transferee Company. The Transferee Company shall also be entitled to initiate legal proceedings in place of the First Transferor Company and the Second Transferor Company.

7) All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the First Transferor Company, Second Transferor Company and the Transferee Company arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by the Transferee Company. All stamp duty charges in connection with the NCLT order sanctioning the Scheme shall be borne and paid by the Transferee Company.

THE FEATURES SET OUT ABOVE BEING ONLY THE SALIENT FEATURES OF THE SCHEME, THE UNSECURED NON-CONVERTIBLE DEBENTURE HOLDERS OF THE SECOND TRANSFEROR COMPANY ARE REQUESTED TO READ THE ENTIRE TEXT OF THE SCHEME TO GET THEMSELVES FULLY ACQUAINTED WITH THE PROVISIONS THEREOF.

III. **Details as per Rule 6(3) of the Merger Rules:**

a. Details of the NCLT order which directs the calling, convening and conducting of the Meeting:

Please refer to Paragraph No. I of this Explanatory Statement for date of the Order and the date, time and venue/ mode of the Tribunal Convened Meeting.

b. Details of companies involved in the Scheme:

A. Svatantra Holdings Private Limited

Date of Incorporation	11th May 2018
Corporate Identification Number	U67200MH2018PTC309327
Permanent Account Number	ABACS3023K
Type of Company	Private Limited Company
Registered Office	213, 2nd Floor, T.V. Industrial Estate, 52, S.K. Ahire Marg, Worli, Mumbai - 400 030
Email Address	vinit.tanna@svatantra.adityabirla.com

B. Chaitanya India Fin Credit Private Limited

Date of Incorporation	31st March 2009
Corporate Identification Number	U67190MH2009PTC427833
Permanent Account Number	AADCC6184H
Type of Company	Private Limited Company
Registered Office	Sunshine Tower, Level 20, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400 013
Email Address	neeraj.m.jain@svatantra.adityabirla.com
Name of the stock exchange(s) where securities of the Company are listed	The Non-Convertible Debentures of CIFCPL are listed on BSE Limited (“BSE”).

C. Svatantra Microfin Private Limited

Date of Incorporation	17th February, 2012
Corporate Identification Number	U74120MH2012PTC227069
Permanent Account Number	AARCS0730K

Type of Company	Private Limited Company
Registered Office	Sunshine Tower, Level 20, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400 013
Email Address	surinder.bhatia@svatantra.adityabirla.com
Name of the stock exchange(s) where securities of the Company are listed	The Non-Convertible Debentures of SMPL are listed on BSE Limited ("BSE").

c. Other particulars of **SMPL** as per Rule 6(3) of the Merger Rules:

i. Summary of the main objects as per the Memorandum of Association and main business carried on by SMPL:

SMPL is a middle layer non-deposit taking Non-Banking Financial Company-Micro Finance Institution ("NBFC-MFI") registered with the RBI. SMPL is engaged in the business of providing micro finance loans and personal loans to low-income individuals and households in rural/ semi-urban areas.

The extracts of main objects of SMPL as per the Memorandum of Association have been reproduced below for the perusal of the NCD Holders:

"1. To carry on the business of providing Micro Finance services as may be permitted by Reserve Bank of India from time to time and to buy, underwrite, sub-underwrite, to invest in with or without interest or security, acquire and hold, sell, buy or otherwise deal in shares, debentures, debentures-stock, bonds, units, other financial instruments or obligations and securities issued by or guaranteed by any company constituted or carrying on any business in India or elsewhere or issued or guaranteed by any Government Central or State, Public Body or authority, Supreme, Municipal, Local or otherwise, firm/or persons, whether in India or elsewhere by original subscription, tender, purchase, exchange or otherwise and to subscribe for the same, and to guarantee the subscription and to exercise and enforce all rights and powers conferred by incidental to ownership thereof and to deal with or turn to account the same, however the Company shall not carry on the banking business or insurance business within the purview of the Banking Regulations Act, 1949 or the insurance Act. This shall however, not restrict the Company from soliciting insurance products as an agent for Insurance companies and/or for acting/engaging as Business Correspondents (BC) for one or more Banks for the

distribution of various banking services under the Business Correspondent Model.

2. To reduce poverty in India by providing collateral free credit to poor men and women, deliver credits, and other financial services to them in the cities, towns, villages of India with a view to provide them sustainable livelihood and enhancement of their and their family's family living conditions based on their needs, skills and traditional livelihood occupations.

3. To carry on and undertake the business of research, consultancy, technical assistance and training in the field of development finance and other financial services, as intermediary for other companies or organizations.

4. To finance the Industrial Enterprises and to provide venture capital, seed capital, loan capital and to participate in equity/preference share capital or to give guarantees on behalf of the company in the matter and to promote companies engaged in Industrial, Infrastructure and Trading business."

ii. Details of change of name, registered office and objects of SMPL during the last 5 (five) years:

a. Change of Name: There has been no change in the name during the last 5 (five) years.

b. Change of Registered Office: There has been no change of Registered Office address during the last 5 (five) years.

c. Change of Objects: There has been no change in the objects listed in the Memorandum of Association of SMPL during the last 5 (five) years.

iii. Details of the capital structure of SMPL including authorized, issued, subscribed and paid-up share capital: The share capital structure of SMPL as on March 31, 2025 is, as under:

Particulars	Amount in Rupees
Authorised Capital	
4,75,50,00,000 Equity shares of Rs.10 each	47,55,00,00,000
53,00,00,000 5% Compulsorily Convertible Non-Cumulative Preference Shares of Rs. 100 each	53,00,00,00,000
Total	**100,55,00,00,000**
Issued, Subscribed and Paid-up Share Capital	
62,68,86,580 Equity Shares of Rs. 10 each, fully paid up	6,26,88,65,800
Total	**6,26,88,65,800**

iv. Details of promoters and directors of SMPL along with their addresses:

Details of Promoters of SMPL as on March 31, 2025 are as follows:

Sr. No	Name of Promoters	Address
1	Ananyashree Birla	Mangal Adityayan, 20, Carmichael Road, Mumbai - 400026

Details of Directors of SMPL as on March 31, 2025 are as follows:

Sr. No	Name of Directors	Designation	Address	DIN
1	Meena Jagtiani	Director	18, Diamond Apartment, 24 Mount Mary Road, Bandra (West), Mumbai - 400050 Maharashtra	08396893
2	Neerja Birla	Director	Mangal Adityayan, 20, Carmichael Road, Mumbai – 400026, Maharashtra	01020533
3	Ananyashree Birla	Director	Mangal Adityayan, 20, Carmichael Road, Mumbai – 400026, Maharashtra	06625036

4	Vineet Bijendra Chattree	Managing Director	202 A, Kukreja Residency, W T Patil Road, Chembur, Mumbai- 400071, Maharashtra	07962531
5	Kumar Mangalam Birla	Director	Mangal Adityayan, 20, Carmichael Road, Mumbai – 400026, Maharashtra	00012813
6	Natarajan Girija Shankar	Director	H-1560, Ground Floor, C R Park, Chittranjan Park, South Delhi, Delhi 110019	07960781
7	Gagan Joshi	Director	N202, Block N, Godrej Trees, Pirojsha Nagar, Vikhroli (E), Near Godrej One, Mumbai – 400079, Maharashtra	07807857
8	Shweta Jalan	Director	2403, 24th Floor, Artesia Tower, Plot No. 249 and 249A, Hind Cycle Compound, Worli, Mumbai – 40003, Maharashtra	00291675
9	Renuka Ramnath	Director	D-4701/02, Floor 47, Ashok Tower, 63/74, DR. S. S. Rao Marg, Parel, Mumbai 400012, Maharashtra	00147182

v. Details of the date of the Board Meeting of SMPL at which the Scheme was approved by the Board of Directors including the name of the Directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution:

The Board of Directors of SMPL approved the Scheme at its Meeting held on November 6, 2024. Details of the manner in which the Directors of SMPL voted at its meeting are as follows:

Sr. No.	Names of Directors	Voted in favour/ against/ Did not Vote or Participate
1	Meena Jagtiani	Voted in favour
2	Neerja Birla	Did not Participate
3	Ananyashree Birla	Voted in favour
4	Vineet Bijendra Chattree	Voted in favour
5	Kumar Mangalam Birla	Did not Participate
6	Natarajan Girija Shankar	Voted in favour
7	Gagan Joshi	Voted in favour
8	Shweta Jalan	Voted in favour
9	Renuka Ramnath	Did not Participate

vi. Disclosure about the effect of the Scheme on the various stakeholders of SMPL:

Effect on the shareholders (promoter and non-promoter), Key Managerial Persons, Directors, Debenture holders, deposit trustee and debenture trustees, depositors, creditors, or employees: The effect of the Scheme on the shareholders (promoter and non-promoter), Key Managerial Persons, Directors, Debenture holders, deposit trustee and debenture trustees, depositors, creditors, or employees has been set out in the report adopted by the Board of Directors of SMPL pursuant to the provisions of Section 232(2)(c) of the Act which is attached as **Annexure 2A** to this Notice.

vii. Amount due to Unsecured Non-Convertible Debenture Holders and Unsecured Creditors:

The amount due to Unsecured Non-Convertible Debenture Holders of SMPL, as on December 31, 2024, is INR 4,15,00,00,000 (Rupees Four Hundred and Fifteen Crores Only) and the amount due to unsecured creditors of SMPL, as on December 31, 2024, is INR 13,40,177 (Rupees Thirteen Lakh Forty Thousand One Hundred and Seventy Seven).

d. Other particulars of **CIFCPL** as per Rule 6(3) of the Merger Rules:

i. Summary of the main objects as per the Memorandum of Association and main business carried on by CIFCPL:

CIFCPL is a middle layer non-deposit taking Non-Banking Financial Company- Micro

Finance Institution ("NBFC-MFI") registered with the RBI. CIFCPL is engaged in the business of providing micro finance loans and personal loans to low-income individuals and households in rural/ semi-urban areas

The extracts of main objects of CIFCPL as per the Memorandum of Association have been reproduced below for the perusal of the NCD Holders:

"1. To carry on in India or elsewhere the business of Micro Lending, Lending to Joint Liability Groups and Lending to Self Help Groups, Micro Credit and Micro Finance, Lending, Installment Financing, Bill Discounting, Providing Working Capital and Term Loan Facilities to Individuals, Small Family Businesses, Small and Medium Business Enterprises including Individual Loans and Group Loans with or without all or any types of securities.

2. To act as facilitator/Bank Correspondent/Micro Insurance agent for provision of micro finance, micro credit, micro insurance, savings and other financial services by acting as intermediaries between Bank, Financial Institutions, Insurance companies, individuals, corporate bodies or other entities (whether incorporated or not), of one part, with the Self Help Groups (SHG)/Joint Liability Group(JLG), members of SHGs/JLGs, discrete individuals or small groups which are in the process of forming SHGs/JLGs and/or other micro-credit aspirants, and to assist, execute, provide consultancy services and promote and finance such programmes, either directly or through an independent agency and/or in any other manner.

3. To undertake, carry out, promote and sponsor social and economic development programs as well as for promotion of livelihoods of women's and men's Self Help Groups (SHG)/Joint Liability Group(JLG) and socially and economically disadvantaged, underserved groups, communities or individuals in urban and rural areas so as to empower them and to enhance their quality of life, extend their life choices, awareness, abilities, skills by facilitating poverty alleviation of woman and men, their families and communities through improved access to training and capacity building in productive activities; by promoting distribution and expanding outreach of socially relevant products.

4. To set up or acquire companies for the purpose of carrying on the business related

to asset management, mutual fund and to act as sponsor or co-sponsor by undertaking financial and commercial obligations required to constitute and/or settle any trust or any undertaking to establish any mutual fund or trust in and/or outside India with the prior approval of the concerned Authorities, with a view to issue units, stocks, securities, certificates or other documents, based on or representing any or all assets appropriated for the purposes of any such trust and to settle and regulate any such trust and to issue, hold or dispose of any such units, stocks, securities, certificates or other documents.

5. To carry on and undertake the business and activities of an insurance intermediary or agent including a Corporate Agent in accordance with the provisions of the rules and regulations issued by the Insurance Regulatory and Development Authority of India for all classes of insurance business in India which includes, Life, General and Health Insurance Business."

ii. Details of change of name, registered office and objects of CIFCPL during the last 5 (five) years:

a. Change of Name: There has been no change in the name during the last 5 (five) years.

b. Change of Registered Office: The registered office of CIFCPL was shifted from No.145, 2nd Floor, NR Square, 1st Main Road, Sirsi Circle, Chamrajpet, Bangalore - 560018 to B' Block, 8th Floor, Brigade Software Park, 27th Cross Rd, Banashankari Stage II, Bangalore, Karnataka - 560070 with effect from 20th October 2022. The registered office of CIFCPL has been shifted from the State of Karnataka to the State of Maharashtra and a fresh certificate of incorporation for change of State was issued by Registrar of Companies on 26 June, 2024 vide Corporate Identity Number U67190MH2009PTC427833.

c. Change of Objects: Clause 3(5) was inserted into the Object Clause of the Memorandum of Association pursuant to the Special Resolution passed by the shareholders of CIFCPL on 12th September 2022. The Clause 3(5) has been reproduced below:

"To carry on and undertake the business and activities of an insurance intermediary or agent including a Corporate Agent in accordance with the provisions of the rules and regulations issued by the Insurance Regulatory and Development Authority of India for all classes of insurance business in India which includes, Life, General and

Health Insurance Business."

iii. Details of the capital structure of CIFCPL including authorized, issued, subscribed and paid-up share capital: The share capital structure of CIFCPL as on March 31, 2025 is, as under:

Particulars	**Amount in Rupees**
Authorised Capital	
25,35,00,000 Equity shares of Rs. 10 each	2,53,50,00,000
1,80,00,000 Preference shares of Rs. 10 each	18,00,00,000
Total	**2,71,50,00,000**
Issued, Subscribed and Paid-up Share Capital	
17,97,39,999 Equity shares of Rs. 10 each fully paid up	1,79,73,99,990
Total	**1,79,73,99,990**

iv. Details of promoters and directors of CIFCPL along with their addresses:

Details of Promoters of CIFCPL as on March 31, 2025 are as follows:

Sr. No.	**Name of Promoter**	**Address**
1	Svatantra Microfin Private Limited	Sunshine Tower, Level 20, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400 013

Details of Directors of CIFCPL as on March 31, 2025 are as follows:

Sr. No.	**Name of Directors**	**Designation**	**Address**	**DIN**
1	Ananyashree Birla	Director	Mangal Adityayan, 20, Carmichael Road, Mumbai – 400026, Maharashtra	06625036
2	Vineet Bijendra Chattree	Whole-time Director	202 A, Kukreja Residency, W T Patil Road, Chembur, Mumbai - 400071, Maharashtra	07962531
3	Anand Rao	Managing Director	534, 3rd Floor, Sobha Dew Flower, 4th Cross Road,	06625036

			Sarakki Main Road, Phase-I, J P Nagar, 8th Block, Bengaluru - 560078, Karnataka	
4	Natarajan Girija Shankar	Director	H-1560, Ground Floor, C R Park, Chittranjan Park, South Delhi, Delhi 110019	07962531
5	Meena Jagtiani	Director	18, Diamond Apartment, 24 Mount Mary Road, Bandra (West), Mumbai - 400050 Maharashtra	08396893

v. Details of the date of the Board Meeting of CIFCPL at which the Scheme was approved by the Board of Directors including the name of the Directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution:

The Board of Directors of CIFCPL approved the Scheme at its Meeting held on November 6, 2024. Details of the manner in which the Directors of CIFCPL voted at its meeting are as follows:

Sr. No.	**Names of Directors**	**Votes for the Resolution/Votes Against the Resolution/Did not Vote or Participate**
1	Ananyashree Birla	Voted in favour
2	Vineet Bijendra Chattree	Voted in favour
3	Anand Rao	Voted in favour
4	Natarajan Girija Shankar	Voted in favour
5	Meena Jagtiani	Voted in favour

vi. Disclosure about the effect of the Scheme on the various stakeholders of CIFCPL:

a. Effect on the shareholders (promoter and non-promoter), Key Managerial Persons, Directors, Debenture holders, deposit trustee and debenture trustees, depositors, creditors, or employees: The effect of the Scheme on the shareholders (promoter and non-promoter), Key Managerial Persons, Directors, Debenture holders, deposit trustee

and debenture trustees, depositors, creditors, or employees has been set out in the report adopted by the Board of Directors of CIFCPL pursuant to the provisions of Section 232(2)(c) of the Act which is attached as **Annexure 2C** to this Notice.

vii. Amount due to Unsecured Non-Convertible Debenture Holders and Unsecured Creditors:

The amount due to Unsecured Non-Convertible Debenture Holders of CIFCPL, as on December 31, 2024, is Rs. 4,60,00,00,000 (Rupees Four Hundred and Sixty Crores Only) and the amount due to unsecured creditors of CIFCPL, as on December 31, 2024, is INR 2,07,43,345 (Rupees Two Crore Seven Lakh Forty Three Thousand Three Hundred and Forty Five).

e. Other particulars of **SHPL** as per Rule 6(3) of the Merger Rules:

i. Summary of the main objects as per the Memorandum of Association and main business carried on by SHPL:

SHPL is engaged in the business of making investments in equity shares, preference shares and other securities and is an unregistered Core Investment Company in terms of Core Investment Companies (Reserve Bank) Directions, 2016

The extracts of main objects of SHPL as per the Memorandum of Association have been reproduced below for the perusal of the NCD Holders:

"1. To carry on business of an investment Company and to buy, underwrite, sub-underwrite, to invest in with or without interest or security, acquire and hold, sell, buy or otherwise acquire shares, debentures, debentures-stock, bonds, units, other financial instruments or obligations and securities issued by or guaranteed by any Company constituted or carrying on any business in India or elsewhere or issued or guaranteed by any Government Central or State, Public Body or authority, Supreme, Municipal, Local or otherwise, firm/or persons, whether in India or elsewhere by original subscription, tender, purchase, exchange or otherwise and to subscribe for the same, and to guarantee the subscription and to exercise and enforce all rights and powers conferred by incidental to ownership thereof and to deal with or turn to account the same, however the Company shall not carry on the banking business or insurance business within the purview of the Banking Regulations Act, 1949 or the Insurance Act.

2. To lend money, grant loans, finance Enterprises and/or to provide venture capital, seed capital, loan capital and to participate in equity / preference share capital or to give guarantees on behalf of the Company in the matter and to promote companies engaged in Industrial, Infrastructure and Trading business."

ii. Details of change of name, registered office and objects of SHPL during the last 5 (five) years:

a. Change of Name: There has been no change in the name during the last 5 (five) years.

b. Change of Registered Office: There has been no change of Registered Office address during the last 5 (five) years.

c. Change of Objects: There has been no change in the objects as listed in the Memorandum of Association of SHPL during the last 5 (five) years.

iii. Details of the capital structure of SHPL including authorized, issued, subscribed and paid-up share capital: The share capital structure of SHPL as on March 31, 2025 is, as under:

Particulars	**Amount in Rupees**
Authorised Capital	
20,00,00,000 Equity shares of Rs. 10 each	200,00,00,000
13,00,00,000 Preference shares of Rs. 100 each	1300,00,00,000
Total	**1500,00,00,000**
Issued, Subscribed and Paid-up Share Capital	
3,14,55,933 Equity shares of Rs. 10 each, fully paid up	31,45,59,330
12,14,00,000 6% Compulsorily Convertible Non-Cumulative Preference Shares of Rs 100 each, fully paid up	1214,00,00,000
Total	**1245,45,59,330**

iv. Details of promoters and directors of SHPL along with their addresses:

Details of Promoters of SHPL as on March 31, 2025 are as follows:

Sr. No.	Name of Promoter	Address
1	Ananyashree Birla	Mangal Adityayan, 20, Carmichael Road, Mumbai – 400026, Maharashtra
2	Anil Chirania	1102, Silver Arch, Off. J. P. Road Shastri Road, Andheri (West), Mumbai – 400053, Maharashtra
3	Shriram Jagetiya	4102, Oberoi Exquisite, Oberoi Garden City, Goregaon (East), Mumbai – 400063, Maharashtra

Details of Directors of SHPL as on March 31, 2025 are as follows:

Sr. No.	Name of Directors	Designation	Address	DIN
1	Shriram Jagetiya	Director	4102, Oberoi Exquisite, Oberoi Garden City, Goregaon (East), Mumbai – 400063, Maharashtra	01638250
2	Anil Chirania	Director	1102, Silver Arch, Off. J. P. Road Shastri Road, Andheri (West), Mumbai – 400053, Maharashtra	01082719

v. Details of the date of the Board Meeting of SHPL at which the Scheme was approved by the Board of Directors including the name of the Directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution:

The Board of Directors of SHPL approved the Scheme at its Meeting held on November 6, 2024. Details of the manner in which the Directors of SHPL voted at its meeting are as follows:

Sr. No.	Names of Directors	Votes for the Resolution/Votes Against the Resolution/Did not Vote or Participate
1	Shriram Jagetiya	Voted in favour
2	Anil Chirania	Voted in favour

vi. Disclosure about the effect of the Scheme on the various stakeholders of SHPL:

a. Effect on the shareholders (promoter and non-promoter), Key Managerial Persons, Directors, Debenture holders, deposit trustee and debenture trustees, depositors, creditors or employees: The effect of the Scheme on the shareholders (promoter and non-promoter), Key Managerial Persons, Directors, Debenture holders, deposit trustee and debenture trustees, depositors, creditors or employees has been set out in the report adopted by the Board of Directors of SHPL pursuant to the provisions of Section 232(2)(c) of the Act which is attached as **Annexure 2B** to this Notice.

vii. Amount due to Unsecured Creditors:

As on December 31, 2024, SHPL do not owe any amount to unsecured creditors.

iv. **Other Details regarding the Scheme as per Rule 6(3) of the Merger Rules:**

a. Relationship subsisting between Parties to the Scheme:

SMPL is the promoter of CIFCPL and CIFCPL is a wholly owned subsidiary of SMPL. Further, SHPL holds 21.47% of the equity shares of SMPL.

b. **Details of capital restructuring:** As per the Scheme, there is no capital restructuring. However, upon Scheme becoming effective, the equity shares of the Transferee Company held by the First Transferor Company which vests with the Transferee Company pursuant to this Scheme shall, without any further act, application or deed, stand cancelled without any consideration by virtue of operation of law pursuant to Amalgamation under the present Scheme. Accordingly, the paid up share capital of the Transferee Company shall stand reduced to the extent of the face value of the equity shares held by the First Transferor Company on the Effective Date.

The cancellation of equity share capital of the Transferee Company shall be effected as an integral part of the Scheme without having to follow the process under Section 66 of the Act separately and the order of the NCLT sanctioning the Scheme under Sections 230 to 232

and other applicable provisions of the Companies Act, 2013 shall be deemed to be also the order under Section 66 of the Act for the purpose of confirming the reduction. The consent/ approval of the shareholders of Transferee Company to the Scheme shall be deemed to be the consent/ approval of its shareholders for the purpose of effecting the reduction under the provisions of Section 66 of the Act as well and no further compliances would be separately required.

The reduction would not involve either a diminution of liability in respect of unpaid share capital or payment of paid-up share capital to the shareholders and the provisions of Section 66 of the Act will not be applicable.

c. **Details of debt restructuring:** No debt restructuring of the First Transferor Company, Second Transferor Company or Transferee Company is envisaged in the Scheme.

The existing debt structure of the Company and SMPL and expected debt structure of SMPL is annexed as **Annexure 8.**

d. Summary of Valuation cum Share Entitlement Report and Fairness Opinion including basis of valuation:

i. Copy of Independent Valuation cum Share Entitlement Ratio Report dated November 6, 2024, issued by Bansi S. Mehta Valuers LLP is enclosed as **Annexure 5A**.

The Valuation Report provides for fair Equity Share Exchange Ratio as under:

For equity shareholders of SHPL:

"For every 52 (Fifty-Two) Equity share of face and paid-up value of Rs. 10/- (Rupees Ten) each held in SHPL, 9 (Nine) Equity shares of face and paid-up value of Rs. 10/- (Rupees Ten) each in SMPL."

For preference shareholders of SHPL:

"For every 52 (Fifty-Two) preference shares of face and paid-up value of Rs. 100/- (Rupees Hundred) each held in SHPL, 90 (Ninety) Equity shares of face and paid-up value of Rs. 10/- (Rupees Ten) each in SMPL."

For shareholders of CIFCPL:

As CIFCPL is a wholly owned subsidiary of SMPL, no shares are required to be issued on amalgamation of CIFCPL.

ii. Copy of Fair Ratio of Entitlement Report for NCD holders dated November 6, 2024,

issued by Bansi S. Mehta Valuers LLP is enclosed as **Annexure 5B**. The Valuation Report provides for a fair ratio of entitlement for NCDs as follows:

"For every 1 (One) NCD of CIFCPL 1 (One) NCD of SMPL of equivalent face and paid up value, coupon rate, tenure, redemption price and quantum and nature of security offered, etc."

iii. The Valuation Report on Equity Share Exchange Ratio and Fair Ratio of Entitlement for NCD holders, recommended by valuer is based on exercise of judicious discretion and judgment taking into account all the relevant factors.

iv. Copy of Fairness Opinion dated November 6, 2024, issued by Inga Ventures Private Limited, an independent Merchant Banker, on the Valuation Report of Equity Share Exchange Ratio and Fair Ratio of Entitlement for NCD holders, are enclosed as **Annexure 6A and 6B,** respectively.

v. The equity shares exchange ratio report, fair ratio of entitlement for NCD holders and Fairness Opinions, is available for inspection at the registered office of the Company.

e. Auditors' Certificate on conformity of accounting treatment specified in the Scheme with Accounting Standards:

The Statutory Auditors of the Transferee Company have confirmed that the accounting treatment specified in the Scheme is in conformity with the Accounting Standards prescribed under Section 133 of the Act. The certificate is enclosed as **Annexure 3.**

f. There are no investigation or proceedings, pending against the Company under the Act.

g. Details of approvals, sanctions or no-objection(s) from regulatory or any other governmental authorities required, received or pending for the purpose of the Scheme:

i. BSE vide its Observation Letter dated February 6, 2025 has provided its No Objection for the Scheme. Copy of said letter is enclosed as **Annexure 4**.

ii. SMPL and CIFCPL have filed the application with Reserve Bank of India ("RBI") seeking its approval for the proposed Scheme and as on the date of this notice the said approval is pending.

iii. Competition Commission of India ("CCI") vide its letter dated April 2, 2025 read with order dated February 18, 2025 has provided its approval for the Scheme.

The Scheme, if approved at the Meeting, will be subject to the subsequent approval of the Hon'ble NCLT and such other approvals, permission, and sanctions of regulatory or other

authorities, as may be necessary and as contemplated in the Scheme.

h. Effect of the Scheme on material interest of Directors, KMP and Debenture trustee

None of the Directors, Key Managerial Personnel and Debenture Trustee, if any, of the First Transferor Company, Second Transferor Company and the Transferee Company respectively have any material personal interest in the Scheme, save to the extent of shares held by the Directors in the First Transferor Company, Second Transferor Company and the Transferee Company, if any.

v. **Inspection of Documents:**

Following documents will be available for obtaining extract from or for making / obtaining copies of or for inspection at the registered office of the Company between 10:00 a.m. to 6:00 p.m. on all working days, except Saturdays, Sundays and Public Holidays in Maharashtra, up to the date of the Meeting namely:

a) Copy of Order dated June 10, 2025 passed by the Hon'ble NCLT, Mumbai Bench, in Company Scheme Application No. C.A.(CAA)/80/MB/2025, directing inter alia the calling, convening and conducting of the Meeting of NCD Holders of Second Transferor Company;

b) Audited Standalone and Consolidated Financial Statements of SMPL for the period ended March 31, 2025;

c) Audited Standalone and Consolidated Financial Statements of SHPL for the period ended March 31, 2025;

d) Audited Standalone Financial Statements of CIFCPL for the period ended March 31, 2025;

e) Copy of Memorandum of Association and Articles of Association of the First Transferor Company, Second Transferor Company and Transferee Company;

f) Scheme of Amalgamation between Svatantra Holdings Private Limited ('First Transferor Company') and Chaitanya India Fin Credit Private Limited ('Second Transferor Company') with Svatantra Microfin Private Limited ('Transferee Company') and their respective shareholders ('Scheme'), under the provisions of Sections 230 to 232 read with Section 66 of the Act and other applicable provisions of the Act and rules and regulations framed thereunder;

g) Contracts or Agreements material to the Scheme- *There are no contracts or agreements material to the Scheme;*

h) Certificate issued by the Statutory Auditors of the Transferee Company confirming that the accounting treatment specified in the Scheme is in compliance with Section 133 of the Act and applicable accounting standards;

i) Independent Valuation cum Share Entitlement Ratio Report and Fair Ratio of Entitlement for NCD holders dated November 6, 2024, issued by Bansi S. Mehta Valuers LLP, Registered Valuer;

j) Fairness Opinion dated November 6, 2024, issued by Inga Ventures Private Limited, an independent Merchant Banker, on Share Entitlement Ratio Report and Fair Ratio of Entitlement Report for NCD holders**;**

k) Copies of the resolutions passed by the respective Board of Directors of the First Transferor Company, Second Transferor Company and the Transferee Company;

l) Reports adopted by the Board of Directors of SMPL, SHPL and CIFCPL, pursuant to the provisions of Section 232(2)(c) of the Act;

m) Observation Letter dated February 6, 2025 issued by BSE;

n) Such other information or documents as the Board or the management believes necessary and relevant for making decision for or against the Scheme.

VI. It is confirmed that the copy of the Scheme has been filed with the Registrar of Companies, Mumbai, by the First Transferor Company, Second Transferor Company and the Transferee Company.

VII. **Abridged Prospectus of the First Transferor Company:**

The abridged prospectus of the First Transferor Company in the format specified in Master Circular No. SEBI/HO/DDHS/DDHS-PoD-1/P/CIR/2024/48 dated May 21, 2024, as amended, to the extent applicable ("SEBI Master Circular") read with Part B of Schedule I of the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, is annexed as **Annexure 9.**

VIII. Since this Meeting is being held through VC/OAVM, the requirement of physical attendance of NCD Holders has been dispensed with. Accordingly, the facility for appointment of proxies by the NCD Holders will not be available and hence the proxy form, route map and attendance slip are not annexed to this Notice.

Considering the rationale and benefits, the Board of Directors of the Company recommends the Scheme for approval of the NCD Holders, as it is in the best interest of the Company, all shareholders, creditors, debenture holders and employees of the respective Parties to the Scheme.

Sd/-

S.N. Ananthasubramanian

Chairperson appointed for the Meeting

Date: 27th June 2025

Place: Mumbai

Registered Office:

Sunshine Tower, Level 20,

Senapati Bapat Marg, Elphinstone Road,

Mumbai – 400 013

SCHEME OF AMALGAMATION

BETWEEN

SVATANTRA HOLDINGS PRIVATE LIMITED

("FIRST TRANSFEROR COMPANY")

AND

CHAITANYA INDIA FIN CREDIT PRIVATE LIMITED

("SECOND TRANSFEROR COMPANY")

(TOGETHER REFERRED TO AS "TRANSFEROR COMPANIES")

AND

SVATANTRA MICROFIN PRIVATE LIMITED

("TRANSFEREE COMPANY")

AND

THEIR RESPECTIVE SHAREHOLDERS

UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013 READ WITH SECTION 66 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND RULES AND REGULATIONS FRAMED THEREUNDER

A. PREAMBLE

This Scheme of Amalgamation ('**Scheme'**) is presented under Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 and the rules and regulations framed thereunder for:

a) Amalgamation of Svatantra Holdings Private Limited (defined below) on a going concern basis with Svatantra Microfin Private Limited (defined below) and the consequent issuance of equity shares as consideration by Svatantra Microfin Private Limited (defined below) to the shareholders of Svatantra Holdings Private Limited (defined below) and the consequent dissolution of Svatantra Holdings Private Limited (defined below) without being wound up; and

b) Amalgamation of Chaitanya India Fin Credit Private Limited (defined below) on a going concern basis with Svatantra Microfin Private Limited (defined below) and

the consequent dissolution of Chaitanya India Fin Credit Private Limited (defined below) without being wound up.

This Scheme is in compliance with Section 2(1B) and other applicable provisions of the Income-tax Act, 1961, the LODR and SEBI Scheme Circulars (defined below) and the Applicable Law (defined below).

B. DESCRIPTION OF COMPANIES

1. **Svatantra Holdings Private Limited ('First Transferor Company' or 'SHPL')**

The First Transferor Company was incorporated as a private limited company under the Companies Act, 2013 on 11th May, 2018 in the State of Maharashtra under the name of 'Svatantra Holdings Private Limited' vide Corporate Identity Number U67200MH2018PTC309327. The First Transferor Company is engaged in the business of making investments in equity shares, preference shares and other securities. The First Transferor Company is an unregistered Core Investment Company in terms of Core Investment Companies (Reserve Bank) Directions, 2016. The registered office of the First Transferor Company is situated at 213, 2nd Floor, T.V. Industrial Estate, 52, S.K. Ahire Marg, Worli, Mumbai - 400 030, Maharashtra, India. The First Transferor Company holds 13,46,11,109 equity shares of the face value of Rs. 10 each in the Transferee Company which constitutes 21.47% on fully diluted basis (excluding ESOPs) of the shareholding of the Transferee Company.

2. **Chaitanya India Fin Credit Private Limited ('Second Transferor Company' or 'Chaitanya')**

The Second Transferor Company was incorporated as a private limited company under the provisions of the Companies Act, 1956 on 31st March, 2009 in the State of Karnataka under the name of 'Chaitanya India Fin Credit Private Limited' vide Corporate Identity Number U67190KA2009PTC049494. The Second Transferor Company is a middle layer non-deposit taking Non-Banking Financial Company-Micro Finance Institution ("**NBFC-MFI**") registered with the RBI vide Certificate of Registration dated 25th September 2009, bearing registration number N-02.00243. The

Second Transferor Company is engaged in the business of providing micro finance loans and personal loans to low-income individuals and households in rural/ semi-urban areas. Second Transferor Company NCDs (defined below) are listed on wholesale debt market segment of BSE Limited. The registered office address of the Second Transferor Company has been shifted from the State of Karnataka to the State of Maharashtra and a Certificate for Change of State was issued by Registrar of Companies on 26 June, 2024 vide Corporate Identity Number U67190MH2009PTC427833. The registered office of the Second Transferor Company is situated at Sunshine Tower, Level 20, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400 013, Maharashtra, India. The Second Transferor Company is a wholly owned subsidiary of the Transferee Company.

3. **Svatantra Microfin Private Limited ('Transferee Company' or 'SMPL')**

The Transferee Company was incorporated as a private limited company under the provisions of the erstwhile Companies Act, 1956 on 17th February, 2012 in the State of Maharashtra under the name of 'Svatantra Microfin Private Limited' vide Corporate Identity Number U74120MH2012PTC227069. The Transferee Company is a middle layer non-deposit taking Non-Banking Financial Company-Micro Finance Institution ("**NBFC-MFI**") registered with the RBI vide Certificate of Registration dated 5th February 2013, bearing registration number N-13.02038. The Transferee Company is engaged in the business of providing micro finance loans and personal loans to low-income individuals and households in rural/ semi-urban areas. Transferee Company NCDs (defined below) are listed on wholesale debt market segment of BSE Limited. The registered office of the Transferee Company is situated at Sunshine Tower, Level 20, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400 013, Maharashtra, India.

C. Description of the Scheme

1. This Scheme provides, *inter alia,* for:
   i. the amalgamation of the Transferor Companies into the Transferee Company and dissolution of the Transferor Companies without winding up and the consequent issuance of the equity shares in accordance with the Equity Share Exchange Ratio and Preference Share Exchange Ratio (as defined hereinafter) to the eligible

shareholders of the First Transferor Company, in accordance with this Scheme ('**Amalgamation**'); and

ii. various other matters incidental, consequential or otherwise integrally connected therewith, including the increase in the share capital of the Transferee Company,

pursuant to Sections 230 to 232 read with Section 66 and other applicable provisions of the Act (defined below) in the manner provided for in this Scheme and in compliance with the provisions of the Income-tax Act, 1961, the LODR and SEBI Scheme Circulars (defined below) and the Applicable Law (defined below).

2. The Scheme does not involve any compromise or arrangement with the creditors and/ or debenture holders and shall not vary their rights. The Scheme is solely for the purpose of Amalgamation of the Companies and other incidental matters thereto.

3. This Scheme has been drawn up to comply with the conditions specified in section 2(1B) and other relevant provisions of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section and other related provisions at a later date including that resulting from a retrospective amendment of law or for any other reason whatsoever till the time the Scheme becomes effective, the provisions of the said section and other related provisions of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified, unless the Board of Directors of the Transferee Company decides otherwise, to the extent required to comply with Section 2(1B) and other relevant provisions of the Income-tax Act, 1961. Such modification will, however, not affect the other parts of the Scheme.

D. RATIONALE OF THE SCHEME

The Amalgamation of the Transferor Companies into the Transferee Company will *inter alia* result in the following:

a. Enabling geographical diversification of the portfolio, coverage of complementary markets and consumer segments in line with focused strategy of building a

comprehensive gross loan portfolio; entering newer markets and driving penetration thereby strengthening the position of being amongst the largest NBFC-MFI in the microfinance market.

b. Simplification of the group structure. Further, pursuant to the Scheme Svatantra Micro Housing Finance Corporation Limited will become a direct wholly owned subsidiary of the Transferee Company.

c. Enabling creation of well diversified and large borrowing book with significantly improvement in portfolio quality and cost efficiencies thereby providing potential and ability to reprice liabilities in the combined entity, generating higher spread for the combined organization.

d. The Amalgamation will create value for and would be in the interest of various stakeholders including shareholders, creditors, debenture holders, customers, and employees as combined entity will benefit from increased scale, product and geographical diversification, stronger balance sheet, availability of talent in financial, managerial and technical resources of the Transferor Companies and the Transferee Company pooled together amongst others, leading to synergies, cost reduction and efficiencies.

e. Avoidance of duplication of administrative functions, reduction in multiplicity of legal and regulatory compliances and cost.

f. Access to a large client base and availability of increased resources, expertise and assets in the Transferee Company can be utilized for further strengthening the customer base and servicing its existing as well prospective customers.

Accordingly, it is proposed to Amalgamate the Transferor Companies with the Transferee Company.

E. PARTS OF THE SCHEME

This Scheme is divided into the following parts:

PART I deals with the definitions and interpretation and sets out the share capital of the respective parties to the Scheme;

PART II deals with the Amalgamation of the First Transferor Company and the Second Transferor Company with the Transferee Company, the consideration payable by the Transferee Company to the shareholders of the First Transferor Company; and

PART III deals with the general terms and conditions applicable to this Scheme.

PART I – DEFINITIONS, INTERPRETATION AND SHARE CAPITAL

1. DEFINITIONS

In this Scheme, unless repugnant to the context thereof, the following expressions shall have the following meaning:

1.1 **"Act"** or **"the Act"** means the Indian Companies Act, 2013, including any statutory amendment or re-enactment thereof for the time being in force, and where applicable the rules, orders, circulars and notifications prescribed or framed thereunder and any amendments or re-enactments thereof. References in this Scheme to particular provisions of the Act are references to particular provisions of the Companies Act, 2013, unless stated otherwise.

1.2 **"Applicable Law"** means any law, constitution, enactment, act of parliament or legislature, statute, rule, regulation, ordinance, bye laws, policy, direction, guideline, circular, order, code, directives, press notes, principles of equity, permit or decision (administrative or judicial), instructions or any similar form of determination by or decision of the Appropriate Authority having the force of law, including any statutory modification or re-enactment thereof for the time being in force, in each case, solely to the extent applicable to the relevant matter in question and/or the relevant person.

1.3 **"Appointed Date**" means 1st day of April 2025 or such other date as may be fixed or approved by NCLT and which is acceptable to the Board of Directors (as defined hereinafter).

1.4 "**Appropriate Authority"** means any applicable governmental, statutory, departmental, administrative, regulatory or public body or authority agency, commission, legislative body, or, authority, board, branch, tribunal, or court, or other entity in India authorized to make laws, rules, regulations, standards, requirements, procedures, or to pass directions, or orders, in each case having the force of law, or any non-governmental, regulatory, or administrative authority, body, or other organization

in India, to the extent that the rules, regulations and standards, requirements, procedures, or orders of such authority, body, or other organization have the force of law, including Hon'ble NCLT, RBI, SEBI, Stock Exchange, CCI, Registrar of Companies (Maharashtra – Mumbai), Regional Director (Western Region), Central Government, Official Liquidator, or any other authority for approval of the Scheme under the Act and other applicable authorities pursuant to the provisions of Section 230(5) of the Act, as may be relevant in the context.

1.5 **"Board of Directors" or "Board"** means the respective board of directors of the Transferor Companies or the Transferee Company, as the case may be, and shall include any committee of directors constituted or appointed and authorized for the purposes of matters pertaining to this Scheme and or any other matter relating thereto.

1.6 **"CCI"** means the Competition Commission of India.

1.7 **"Companies"** means the First Transferor Company, Second Transferor Company and the Transferee Company collectively, and **"Company"** means any one of them as the context may require.

1.8 **"Contract"** means any agreement, contract, sub-contract, arrangement, instrument, promise, deed, declaration, understanding, commitment, purchase order, work order, warranty, insurance, lease, license, legal obligation, undertaking or commitment of any nature (whether or not the same is absolute, revocable, contingent, conditional, binding or otherwise (whether written or otherwise and whether express or implied), including all amendments and modifications thereto), to which the Transferor Companies are a party or by which any of the assets held by the Transferor Companies are bound.

1.9 **"Effective Date"** means the date on which the certified copies of the order of the Tribunal sanctioning the Scheme is/are filed by the Companies with the Registrar of Companies after the last of the other conditions specified in Clause 23 of this Scheme are fulfilled with respect to the Scheme or the requirement of which have been waived

(in writing) in accordance with the Scheme. References in this Scheme to the "date of coming into effect of this Scheme" or "upon the Scheme becoming effective" or "on the Scheme becoming effective" or "Scheme becomes effective" shall mean the Effective Date.

1.10 "**Employees**" means all the employees, if any, on the payroll of the Transferor Companies as on the Effective Date.

1.11 "**Encumbrances"** means any options, pledge, mortgage, hypothecation, lien, security, interest, claim, charge, pre-emptive right, easement, limitation, attachment, restraint, retention of title, equitable right, or any other encumbrance of any kind or nature whatsoever, and the term "encumber" or "encumbered" shall be construed accordingly.

1.12 **"First Transferor Company" or "SHPL"** means Svatantra Holdings Private Limited**,** a private limited company incorporated under the Companies Act, 2013 on 11th May 2018, and having its registered office at 213, 2nd Floor, T.V. Industrial Estate, 52, S.K. Ahire Marg, Worli, Mumbai – 400 030, Maharashtra, India.

1.13 **"LODR"** means the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 issued by the Securities and Exchange Board of India, as amended from time to time.

1.14 **"Listed Non-Convertible Debentures"** means non-convertible debentures issued by the Second Transferor Company and the Transferee Company, as the case may be, in each case that have been listed on the Stock Exchange.

1.15 **"NCLT"** or **"Tribunal"** means the National Company Law Tribunal, Bench at Mumbai, having jurisdiction over the Transferor Companies and the Transferee Company and shall be deemed to include, if applicable, a reference to such other forum or authority which may be vested with any of the powers of NCLT to sanction the Scheme under the Act.

1.16 **"RBI"** means Reserve Bank of India.

1.17 **"Record Date"** means the date to be mutually fixed by the Board of Directors of the First Transferor Company and the Transferee Company for the purposes of determining the shareholders of the First Transferor Company to whom consideration shall be given as mentioned in Clause 12 of this Scheme.

1.18 **"Registrar of Companies"** means the Registrar of Companies, Mumbai, Maharashtra having jurisdiction over the Transferor Companies and the Transferee Company.

1.19 **"Scheme" or "the Scheme" or "this Scheme"** means this Scheme of Amalgamation in its present form or with any modification(s) made under Clause 22 of this Scheme as approved or directed by the NCLT.

1.20 **"SEBI"** means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992.

1.21 **"SEBI Scheme Circulars"** means Chapter XII (Scheme(s) of Arrangement by entities who have listed their NCDs/ NCRPS) of the SEBI Master Circular bearing no. SEBI/HO/DDHS/DDHS-PoD-1/P/CIR/2024/48 dated 21st May 2024, including any amendments, if any and any other circular issued by SEBI in this regard.

1.22 **"Second Transferor Company" or "Chaitanya"** means Chaitanya India Fin Credit Private Limited**,** a private limited company incorporated under the erstwhile provisions of the Companies Act, 1956 on 31st March 2009, and having its registered office at Sunshine Tower, Level 20, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400 013, Maharashtra, India.

1.23 **"Second Transferor Company NCDs"** means Listed Non-Convertible Debentures issued by the Second Transferor Company.

1.24 "**Stock Exchange"** means BSE Limited.

1.25 **"Transferee Company" or "SMPL"** means Svatantra Microfin Private Limited, a private limited company incorporated under the erstwhile provisions of the Companies Act, 1956 on 17th February 2012, and having its registered office at Sunshine Tower, Level 20, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400 013, Maharashtra, India.

1.26 **"Transferee Company NCDs"** means Listed Non-Convertible Debentures issued by the Transferee Company.

1.27 **"Transferor Companies"** means First Transferor Company and Second Transferor Company referred together.

2. INTERPRETATION

2.1 All terms and words used but not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act or other Applicable Law(s), as the case may be.

2.2 References to clauses, recitals, annexures and schedules, unless otherwise provided, are to clauses, recitals, annexures and schedules of and to this Scheme.

2.3 The headings herein shall not affect the construction of this Scheme.

2.4 Unless context otherwise requires, reference to any law or to any provision thereof shall include references to any such law or to any provision thereof as it may, after the date hereof, from time to time, be amended, supplemented or re-enacted, or to any law or any provision which replaces it, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

2.5 The singular shall include the plural and vice versa; and references to one gender shall include all genders.

2.6 Any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the word preceding those terms.

2.7 Any document or agreement includes a reference to that document or agreement as varied, amended, supplemented, substituted, novated or assigned, from time to time, in accordance with the provisions of such a document or agreement.

2.8 The words "other", "or otherwise" and "whatsoever" shall not be construed ejusdem generis or be construed as any limitation upon the generality of any preceding words or matters specifically referred to.

3. DATE OF TAKING EFFECT AND OPERATIVE DATE OF THE SCHEME

The Scheme shall be effective from the Appointed Date and shall be operative from the Effective Date.

4. SHARE CAPITAL

4.1 The share capital of the First Transferor Company as on 6th November, 2024 is as under:

Particulars	Amount (in Rs.)
Authorised Share Capital	
20,00,00,000 equity shares of Rs. 10/- each	200,00,00,000
13,00,00,000 preference shares of Rs. 100/- each	1300,00,00,000
Total	**1500,00,00,000**
Issued, Subscribed and Paid-up Share Capital	
1,00,000 equity shares of Rs. 10/- each, fully paid up	10,00,000
12,14,00,000 6% Compulsorily Convertible Non-Cumulative Preference Shares of Rs. 100/- each, fully paid up	1214,00,00,000

Total	**1214,10,00,000**

The shares of the First Transferor Company are not listed on any stock exchange.

First Transferor Company has issued Compulsorily Convertible Non-Cumulative Preference Shares (‘**CCPS’**). Accordingly, upon conversion of CCPS in accordance with its terms and conditions, the First Transferor Company shall be required to issue fully paid-up equity shares and accordingly the issued, subscribed, and paid-up equity share capital of the First Transferor Company will undergo a change. Further, the share capital of the First Transferor Company may undergo a change upon issuance of new shares, if any, in accordance with Clause 19.2 of this Scheme.

Apart from the above, there are no existing commitments, obligations or arrangements by the First Transferor Company as on the date of sanction of this Scheme by the Board of Directors to issue any further shares or convertible securities.

4.2 The share capital of the Second Transferor Company as on 6th November, 2024 is as under:

Particulars	Amount (in Rs.)
Authorised Share Capital	
25,35,00,000 equity shares of Rs. 10/- each	2,53,50,00,000
1,80,00,000 preference shares of Rs. 10/- each	18,00,00,000
Total	**2,71,50,00,000**
Issued, Subscribed and Paid-up Share Capital	
15,76,66,666 equity shares of Rs. 10/- each, fully paid up	1,57,66,66,660
Total	**1,57,66,66,660**

The shares of the Second Transferor Company are not listed on any stock exchange. Further, the Second Transferor Company NCDs are listed on BSE Limited.

The share capital of the Second Transferor Company may undergo a change upon issuance of new shares, if any, in accordance with Clause 19.2 of this Scheme.

There are no existing commitments, obligations or arrangements by the Second Transferor Company as on the date of sanction of this Scheme by the Board of Directors to issue any further shares or convertible securities.

As on the date of approval of the Scheme by its Board of Directors, the Second Transferor Company is a wholly owned subsidiary of the Transferee Company.

4.3 The share capital of the Transferee Company as on 6th November, 2024 is as under:

Particulars	Amount (in Rs.)
Authorised Share Capital	
4,75,50,00,000 equity shares of Rs. 10/- each	47,55,00,00,000
53,00,00,000 preference shares of Rs. 100/- each	53,00,00,00,000
Total	**1,00,55,00,00,000**
Issued, Subscribed and Paid-up Share Capital	
51,41,00,166 equity shares of Rs. 10/- each, fully paid up	514,10,01,660
7,80,82,902 5% Compulsorily Convertible Non-Cumulative Preference Shares of Rs. 100/- each, fully paid up	780,82,90,200
Total	**1,294,92,91,860**

The shares of the Transferee Company are not listed on any stock exchange. Further, the Transferee Company NCDs are listed on BSE Limited.

The Transferee Company has issued CCPS. Accordingly, upon conversion of CCPS in accordance with its terms and conditions, the Transferee Company shall be required to issue fully paid-up equity shares and accordingly the issued, subscribed, and paid-up equity share capital of the Transferee Company will undergo a change.

The aforesaid issued, subscribed, and paid-up share capital of the Transferee Company does not include employee stock options outstanding for exercise under the employee stock options plans that have been issued by the Transferee Company. Upon exercise of the employee stock options in accordance with the terms and conditions of the employee stock options plans, the Transferee Company shall be required to issue fully paid-up equity shares and accordingly the issued, subscribed, and paid-up equity share capital of the Transferee Company may undergo a change. Further, the share capital of the Transferee Company may undergo a change upon issuance of new shares, if any, in accordance with Clause 19.2 of this Scheme.

Apart from the above, there are no existing commitments, obligations or arrangements by the Transferee Company as on the date of sanction of this Scheme by the Board of Directors to issue any further shares or convertible securities.

PART II – AMALGAMATION OF THE FIRST TRANSFEROR COMPANY AND THE SECOND TRANSFEROR COMPANY WITH THE TRANSFEREE COMPANY

5. TRANSFER AND VESTING

5.1 Upon the Scheme becoming effective and with effect from the Appointed Date, and subject to the provisions of this Scheme, the Transferor Companies shall stand amalgamated into the Transferee Company and shall, pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, be and stand transferred to and vested in the Transferee Company, as a going concern without any further act, instrument, deed, matter or thing so as to become the assets and liabilities of the Transferee Company by virtue of and in the manner provided in the Scheme, and in accordance with Sections 230 to 232 and other applicable provisions of the Act, the Section 2(1B) of the Income-tax Act, 1961 and Applicable Laws.

5.2 Upon the Scheme becoming effective and with effect from the Appointed Date, the whole of the business of the Transferor Companies, including all secured and unsecured debts, non-convertible debentures, liabilities, duties and obligations and all the assets, properties, rights, titles and benefits, whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including but without being limited to land and building (whether owned, leased, licensed), all fixed and movable plant and machinery, vehicles, fixed assets, work in progress, current assets, investments, reserves, provisions, funds, licenses, registrations, copyrights, patents, trademarks and other rights and licenses in respect thereof, applications for copyrights, patents, trademarks, leases, licenses, tenancy rights, other intangible assets, joint venture agreements, computers, office equipment, furniture and fixtures, telephones, telexes, facsimile connections, communication facilities, equipment and installations and utilities, electricity, water and other service connections, benefits of agreements, Contracts, powers, authorities, permits, allotments, approvals, consents, privileges, liberties, advantages, easements

and all rights, title, interest, estate, goodwill, benefit and advantage, deposits/ security deposits, earnest money, advances, receivables, funds, cash, bank balances, accounts and all other rights, incentives, special status, benefits of all agreements, subsidies, grants, tax credits including but not limited to benefits of tax relief including under the Income-tax Act, 1961, such as credit for advance tax, minimum alternate tax, taxes deducted or collected at source, benefits of any unutilized service tax credits, service tax credits, unutilized input tax credit of central goods and services tax ('**CGST'**), integrated goods and services tax ('**IGST'**), state goods and services tax ('**SGST'**), goods and services tax compensation cess ('**GST Compensation Cess'**), etc., software license, domain / website etc., all books, files, papers, records, whether in physical or electronic form in connection / relating to the Transferor Companies and other claims and powers, of whatsoever nature and wheresoever situated belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Companies, whether in India or abroad as on the Appointed Date, shall, under the provisions of Sections 230 to 232 of the Act and all other applicable provisions, if any, of the Act, and without any further act or deed, be transferred to and vested in and / or be deemed to be transferred to and vested in the Transferee Company, along with all the rights, title, interest or obligations of the Transferor Companies therein.

5.3 Notwithstanding anything contained in this Scheme, with respect to the immovable properties of the Transferor Companies, whether owned or leasehold, for the purpose of, *inter alia*, payment of stamp duty and registration fee and transfer to the Transferee Company, if the Transferee Company so decides, the Companies may execute and register or cause to be executed and registered, separate deeds of conveyance or deeds of assignment of lease, as the case may be, in favour of the Transferee Company in respect of such immovable properties. Each of the immovable properties, only for the purposes of the payment of stamp duty and registration fee (if required under Applicable Law), shall be deemed to be conveyed at a value determined by the relevant authorities in accordance with the applicable circle rates. The transfer of such immovable properties shall form an integral part of this Scheme.

5.4 Upon the Scheme becoming effective and with effect from the Appointed Date, all permits, no objection certificates, Contracts, rights, consents, entitlements, licenses, including those relating to CGST, SGST, IGST or other licenses, tenancies, copyright and other industrial properties of any nature whatsoever and licenses assignments, grants in respect thereof, privileges, liberties, easements, contract advantages, benefits, goodwill, right to use the name of the Transferor Companies (including continuation and maintenance of the existing registration), quota rights, permissions, approvals, intellectual property rights, registrations, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the business of the Transferor Companies, shall stand transferred to and vested in the Transferee Company without any further act, instrument or deed and shall be appropriately mutated by the statutory authorities concerned in favour of the Transferee Company. The benefit of all statutory and regulatory permissions, consents, and/or other licences shall vest in and shall be in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectually as if instead of the Transferor Companies, the Transferee Company had been the party thereto or the beneficiary or obligee thereof pursuant to this Scheme. In so far as the various incentives, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person, or availed of by the Transferor Companies, as the case may be, are concerned, the same shall vest with and be available to the Transferee Company on the same terms and conditions.

5.5 Upon the Scheme becoming effective and with effect from the Appointed Date, all assets and properties of the Transferor Companies, including fixed deposits, mutual funds, treasury bills, credits, deposits, investment in shares and any other securities (including but not limited to the investment held by the First Transferor Company in the Transferee Company), sundry debtors, actionable claims, outstanding loans and advances, if any, recoverable in cash or kind or for value to be received, bank balances, and deposits, if any, with government, semi-government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, be transferred to and vested in and/ or be deemed to be transferred and vested in the

Transferee Company. All client agreements and know your customer details, sub-broker/ authorized person agreement, agreements with banks, vendor agreements and power of attorneys would get transferred to and vested in the Transferee Company, with effect from the Appointed Date and shall have been deemed to have been entered into by the Transferee Company with such respective parties. The Transferee Company may give notice, although it is not obliged, in such form as it may deem fit and proper to each party, debtors or deposits, as the case may be, that pursuant to order of the NCLT sanctioning the Scheme, the said debts, loans, advances, etc., be paid or made good or held on account of Transferee Company as the person entitled thereto, to the end and intent that the right of the Transferor Companies to recover or realize the same stands extinguished. All inter-se liabilities between the Transferor Companies and the Transferee Company or between the First Transferor Company and the Second Transferor Company, if any, due or outstanding or which may at any time immediately prior to the Effective Date become due or remain outstanding, shall stand cancelled and be deemed to have been discharged by such cancellation and consequently, there shall remain no inter-se liability between them as of the Effective Date and corresponding effect shall be given in the books of account and records of the Transferee Company.

5.6 Upon the Scheme becoming effective and with effect from the Appointed Date, all respective debts, guarantees, indemnities, liabilities (including contingent liabilities), debentures including non-convertible debentures, duties and obligations of every kind, nature and description of the Transferor Companies, whether or not provided for in the books of accounts and whether disclosed or undisclosed in the financial statement, and to the extent they are outstanding on the Effective Date shall without any further act, deed, matter or thing be and stand transferred to the Transferee Company and shall become the liabilities and obligations of the Transferee Company which undertakes to meet, discharge and satisfy the same and it shall not be necessary to obtain the consent of any third party or other person who is a party to any Contract by virtue of which such debts, duties, guarantees, indemnities, liabilities and obligations have arisen in order to give effect to the provisions of this Clause.

5.7 Where any of the respective debt, liabilities (including contingent liabilities), debentures including non-convertible debentures, duties and obligations of every kind, nature and description of the Transferor Companies as on the Appointed Date, deemed to be transferred to the Transferee Company have been discharged by the Transferor Companies, after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company, and all loans raised and used and all liabilities and obligations incurred by the Transferor Companies after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of the Transferee Company.

5.8 All the assets and properties which are acquired by the Transferor Companies, on or after the Appointed Date but prior to the Effective Date shall be deemed to be and shall become the assets and properties of the Transferee Company and shall under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme.

5.9 Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, upon the Scheme becoming effective and with effect from the Appointed Date all the security interest over any moveable and/or immoveable properties and security in any other form (both present and future) including but not limited to any pledges, hypothecation, or guarantees, if any, created/executed by any person in favour of the Transferor Companies or any other person acting on behalf of or for the benefit of the Transferor Companies for securing the obligations of the persons to whom the Transferor Companies have advanced loans and granted other funded and non-funded financial assistance, by way of letter of comfort or through other similar instruments shall without any further act, instrument or deed stand vested in and be deemed to be in favour of the Transferee Company and the benefit of such security shall be available to the Transferee Company as if such security was ab initio created in favour of the Transferee Company. The mutation or substitution of the charge in relation to the movable and immovable properties of the Transferor Companies shall,

upon the Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by the appropriate authorities and third parties (including any depository participants) pursuant to the sanction of this Scheme by the Appropriate Authority and upon the Scheme becoming effective in accordance with the terms hereof.

5.10 Upon the Scheme becoming effective, the Transferee Company shall be entitled to operate all bank accounts, realise all monies and complete and enforce all pending Contracts and transactions in the name of the Transferor Companies to the extent necessary until the transfer of the rights and obligations of the Transferor Companies to the Transferee Company under the Scheme is formally accepted and completed by the parties concerned. For avoidance of doubt, it is hereby clarified that all cheques and other negotiable instruments, payment orders, electronic fund transfers (like NEFT, RTGS, etc.) received or presented for encashment which are in the name of the Transferor Companies after the Appointed Date, shall be accepted by the bankers of the Transferee Company and credited to the accounts of the Transferee Company, if presented by the Transferee Company. Similarly, the banker of the Transferee Company shall honour all cheques issued by the Transferor Companies for payment after Appointed Date.

5.11 All Encumbrances, if any, existing prior to the Effective Date over the assets of the Transferor Companies which secure or relate to any liability, shall, after the Effective Date, without any further act, instrument or deed, continue to be related and attached to such assets or any part thereof to which they related or were attached prior to the Effective Date and are transferred to the Transferee Company. Provided that if any assets of the Transferor Companies have not been Encumbered in respect of the liabilities, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. Further, such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company. The secured creditors and secured debenture holders of the Transferee Company and/or other holders of security over the properties of the Transferee

Company shall not be entitled to any additional security over the properties, assets, rights, benefits and interests of the Transferor Companies and therefore, such assets which are not currently Encumbered shall remain free and available for creation of any security thereon in future in relation to any current or future indebtedness of the Transferee Company. The absence of any formal amendment which may be required by a lender or trustee or any third party shall not affect the operation of the foregoing provisions of this Scheme. Without prejudice to the provisions of this Clause and upon the Scheme becoming effective, the Transferor Companies and the Transferee Company shall execute any instrument and/ or document and to do all acts and/ or deeds as may be required, including filing of necessary particulars and/ or modification of charge with the respective Registrar of Companies/ Ministry of Corporate Affairs to give formal effect to the above provisions, if required.

5.12 Without prejudice to the other provisions of the Scheme and notwithstanding the vesting of the Transferor Companies into the Transferee Company by virtue of this Scheme, the Transferee Company may, at any time after the date of coming into effect of this Scheme in accordance with the provisions hereof, if so required, under Applicable Law or otherwise, execute deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any Contract in relation to which the Transferor Companies has been a party, including any filings with the regulatory authorities in order to give formal effect to the above provisions and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Companies. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such arrangements on behalf of the Transferor Companies and to carry out or perform all such formalities or compliances, referred to above, on behalf of the Transferor Companies.

6. CONTRACTS, DEEDS AND OTHER INSTRUMENTS

6.1 Upon the coming into effect of this Scheme, and subject to the provisions of this Scheme, all Contracts, deeds, bonds, memoranda of undertakings, memoranda of

agreements, memoranda of agreed points, letters of agreed points, bids, letters of intent, undertakings, schemes, insurance policies, indemnities, guarantees and other instruments of whatsoever nature to which the Transferor Companies are a party or to the benefit of which the Transferor Companies may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect on or against or in favour of, as the case may be, the Transferee Company, and may be enforced as fully and effectually as if, instead of the Transferor Companies, the Transferee Company had been a party or beneficiary or obligee thereto or thereunder.

6.2 The Transferee Company, at any time after the Scheme becomes effective, in accordance with the provisions hereof, if so required under any law or otherwise, will execute deeds of confirmation or other writings or arrangements with any party to any Contract in relation to which the Transferor Companies are a party, in order to give formal effect to the provisions of the Scheme. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Companies and to carry out or perform all such formalities or compliances, referred to above, on behalf of the Transferor Companies.

7. STAFF, WORKMEN & EMPLOYEES

7.1 Upon the coming into effect of this Scheme, all Employees of the Transferor Companies shall become the employees of the Transferee Company, on terms and conditions not less favourable than those on which they are engaged by the Transferor Companies and without any interruption of or break in service as a result of the Amalgamation of the Transferor Companies with the Transferee Company. For the purpose of payment of all retirement benefits, the past services of such Employees with the Transferor Companies shall be taken into account from the date of their appointment with the Transferor

Companies and such benefits to which the Employees are entitled in the Transferor Companies shall also be taken into account and paid (as and when payable) by the Transferee Company.

7.2 Insofar as the provident fund, gratuity fund, superannuation fund, retirement fund and any other funds or benefits created by the Transferor Companies for its Employees or to which the Transferor Companies are contributing for the benefit of its Employees (collectively referred to as the "**Funds**") are concerned, the Funds or such part thereof as relates to the Employees (including the aggregate of all the contributions made to such Funds for the benefit of the Employees, accretions thereto and the investments made by the Funds in relation to the Employees) shall, upon the Scheme becoming effective, be transferred to the Transferee Company and shall be held for the benefit of the concerned Employees. In the event the Transferee Company has its own funds in respect of any of the employee benefits referred to above, the Funds shall, subject to the necessary approvals and permissions, and at the discretion of the Transferee Company, be merged with the relevant funds of the Transferee Company. In the event that the Transferee Company does not have its own funds in respect of any of the above or if deemed appropriate by the Transferee Company, the Transferee Company may, subject to necessary approvals and permissions, maintain the existing funds separately and contribute thereto until such time that the Transferee Company creates its own funds, at which time the Funds and the investments and contributions pertaining to the Employees shall be merged with the funds created by the Transferee Company.

7.3 Upon the Scheme becoming effective, in relation to those Employees for whom the Transferor Companies is making contributions to the government provident fund or other employee benefit fund, the Transferee Company shall stand substituted for the Transferor Companies, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions of such fund, bye laws, etc. in respect of such Employees, such that all the rights, duties, powers and obligations of the Transferor Companies as the case may be in relation to such schemes/ funds shall become those of the Transferee Company.

7.4 Notwithstanding the aforesaid but subject to the Scheme becoming effective, the Board of the Transferee Company, if it deems fit and subject to Applicable Law, shall be entitled to:

a. retain separate trusts or funds within the Transferee Company for the erstwhile fund(s) of the Transferor Companies; or

b. merge the pre-existing funds of the Transferor Companies with other similar funds of the Transferee Company.

8. LEGAL PROCEEDINGS

8.1 If any suit, appeal or other legal proceedings of whatsoever nature by or against the Transferor Companies is pending as on the Effective Date, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of the Amalgamation of the Transferor Companies with the Transferee Company and by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Companies as if this Scheme had not been made.

8.2 The Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Companies referred to in Clause 8.1 above, transferred into its name and to have the same continued, prosecuted and enforced by or against the Transferee Company to the exclusion of the Transferor Companies.

8.3 The Transferee Company shall be deemed to be authorised under this Scheme to execute any pleadings, applications, forms, etc., as are required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of this Clause.

8.4 On and from the Effective Date, the Transferee Company may, if required, initiate any legal proceedings in relation to the Transferor Companies in the same manner and to the same extent as would or might have been initiated by the Transferor Companies.

9. TAXES

9.1 Upon the Scheme becoming effective and with effect from the Appointed Date, any tax liabilities under the Income-tax Act, 1961, Customs Act, 1962, Service Tax Laws, applicable State Value Added Tax Laws, The Integrated Goods and Services Tax Act, 2017, The Central Goods and Services Tax Act, 2017, Maharashtra Goods and Services Tax Act, 2017 and any other state Goods and Services Tax Act, 2017, The Goods and Services Tax (Compensation to States) Act, 2017, stamp laws, or other Applicable Laws/regulations dealing with taxes/ duties/ levies allocable or related to the business of the Transferor Companies (hereinafter in this Clause referred to as "**Tax Laws**") to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to Transferee Company. Any surplus in the provision for taxation / duties / levies account including advance tax, tax deducted at source and tax collected at source as on the date immediately preceding the Appointed Date will also be transferred to the account of the Transferee Company.

9.2 All taxes (including income tax, service tax, applicable state Value Added Tax, CGST, SGST, IGST, GST Compensation Cess, equalization levy, etc.) paid or payable by the Transferor Companies in respect of their operations and/ or their profits of the business on and from the Appointed Date, shall be on account of the Transferee Company and, in so far as it relates to the tax payment (including without limitation income tax, wealth tax, service tax, applicable state Value Added Tax, CGST, SGST, IGST, GST Compensation Cess, equalization levy, etc.), whether by way of deduction at source, collection at source, advance tax or otherwise howsoever, by the Transferor Companies in respect of the profits or activities or operation of the business on and from the Appointed Date, the same shall be deemed to be the corresponding item paid by the

Transferee Company, and, shall, in all proceedings, be dealt with accordingly. Further, after the Appointed Date any tax deducted at source or tax collected at source by the Transferor Companies/ Transferee Company on payables / receivable to / from the Transferee Company / the Transferor Companies respectively which has been deemed not to be accrued, shall be deemed to be advance taxes paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.

9.3 Any refund under the Tax Laws due to the Transferor Companies consequent to the assessments made on the Transferor Companies and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.

9.4 Without prejudice to the generality of the above, all benefits including under the income tax, service tax, applicable State Value Added Tax Laws, CGST, SGST, IGST, GST Compensation Cess, equalization levy, etc., including but not limited to MAT Credit, to which the Transferor Companies is entitled to in terms of the applicable Tax Laws, shall be available to and vest in the Transferee Company. The unutilized credits relating to service tax / goods and service tax on input goods/ services consumed by the Transferor Companies shall be transferred to the Transferee Company automatically without any specific approval or permission, as an integral part of the Scheme.

9.5 Upon this Scheme becoming effective and from the Appointed Date, the Transferee Company and Transferor Companies shall be entitled to file / revise its income-tax returns, TDS/ TCS certificates, TDS returns, TCS returns, GST returns, and other statutory returns/ forms, if required, and shall have the right to claim refunds, advance tax credits, credits of all taxes paid / withheld/ collected, if any, as may be required, consequent to implementation of this Scheme. Such returns may be revised and filed notwithstanding that the statutory period for such revision and filing may have expired.

9.6 Upon this Scheme becoming effective and from the Appointed Date, the obligation of deduction of tax at source or for collection of tax at source discharged by the Transferor

Companies under the Income-tax Act, 1961, service tax laws, customs law, state value added tax, Goods and Service tax laws or other Applicable Laws / regulations dealing with taxes/ duties / levies shall be deemed to have been discharged and duly complied with by the Transferee Company.

9.7 The Transferee Company shall be entitled to: (i) claim deduction with respect to items such as provisions, expenses, etc. disallowed in earlier years in the hands of the Transferor Companies, which may be allowable in accordance with the provisions of the Income-tax Act, 1961 on or after the Appointed Date; and (ii) exclude items such as provisions, reversals, etc. for which no deduction or tax benefit has been claimed by the Transferor Companies prior to the Appointed Date.

9.8 On and from the Effective Date, the tax proceedings shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Companies. Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the Amalgamation of the Transferor Companies with the Transferee Company or anything contained in the Scheme.

10. CONDUCT OF BUSINESS UNTIL EFFECTIVE DATE

With effect from the Appointed Date and up to and including the Effective Date:

10.1 The Transferor Companies shall carry on and be deemed to have carried on all business and activities and shall stand possessed of all the assets, rights, title and interest for and on account of, and in trust for the Transferee Company.

10.2 All profits and cash accruing to or losses arising or incurred from the Appointed Date (including the effect of taxes, if any thereon), by the Transferor Companies, shall for all purposes, be treated as the profits, cash, taxes or losses of the Transferee Company.

11. SAVING OF CONCLUDED TRANSACTION

The transfer and vesting of the assets, liabilities and obligations pertaining/relating to the Transferor Companies, pursuant to this Scheme, the effectiveness of contracts, deeds and other instruments under Clause 6 (*Contracts, Deeds and Other Instruments*) and the continuance of the proceedings by or against the Transferee Company, under Clause 8 (*Legal Proceedings*) hereof shall not affect any transactions or proceedings or contracts or deeds already completed or liabilities incurred by the Transferor Companies, either prior to or on or after the Appointed Date, to the end and intent that the Transferee Company accepts all acts, deeds and things done and executed by and/or on behalf of the Transferor Companies, as acts, deeds and things done and executed by and/or on behalf of itself.

12. CONSIDERATION

12.1 Upon the Scheme becoming effective and in consideration of the transfer and vesting of all the assets and liabilities of the First Transferor Company into the Transferee Company in accordance with this Scheme, the Transferee Company shall issue and allot to every member of the First Transferor Company, holding fully paid up equity shares and preference shares in the First Transferor Company and whose names appear in the register of members of First Transferor Company on the Record Date or to such of their heirs, executors, administrators or the successors-in-title in the following manner:

<u>To the equity shareholders of the First Transferor Company</u>

*"9 Equity Shares having face value of INR 10/- each of Transferee Company to be issued to the equity shareholders of the First Transferor Company for every 52 Equity Share having face value of INR 10/- each held in the First Transferor Company ("**Equity Share Exchange Ratio**")"*

<u>To the preference shareholders of the First Transferor Company</u>

*"90 Equity Shares having face value of INR 10/- each of Transferee Company to be issued to the preference shareholders of the First Transferor Company having face value of INR 100/- each held in the First Transferor Company ("**Preference Share Exchange Ratio**")"*

The equity shares to be issued by the Transferee Company to the shareholders of the First Transferor Company in accordance with this Clause shall be hereinafter referred to as "**New Equity Shares**".

12.2 For the purpose of allotment of equity shares to the shareholders of First Transferor Company as per this Clause 12, fractional entitlements, if any, shall be rounded off to the nearest integer and there shall be no further obligation in that behalf.

12.3 Upon the New Equity Shares being issued and allotted to the shareholders of the First Transferor Company, the share certificates in relation to the shares held by the said shareholders of the First Transferor Company in the First Transferor Company shall be deemed to have been automatically cancelled and be of no effect, without any further act, deed or instrument.

12.4 The New Equity Shares shall be issued and allotted in dematerialized form to all the shareholders of First Transferor Company in accordance with the Applicable Laws.

12.5 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the First Transferor Company, the Board of Directors of the Transferee Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer as if such changes in the registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor or transferee of shares in the First Transferor Company, after the Scheme becoming effective.

12.6 In the event of any restructuring of the share capital by the First Transferor Company or the Transferee Company, including by way of share split / consolidation / issue of bonus shares/ buy back or other similar action in relation to share capital of the First Transferor Company or the Transferee Company, at any time before the Record Date, the Equity Share Exchange Ratio and Preference Share Exchange Ratio shall be adjusted appropriately to take into account the effect of any such action unless otherwise decided by the Board of Directors of the Transferee Company. It is clarified that the approval / consent of the shareholders of the First Transferor Company and the Transferee Company to the Scheme shall be deemed to be their consent / approval also to the adjusted share exchange ratio as per this Clause.

12.7 The New Equity Shares to be issued to the shareholders of First Transferor Company as above shall be subject to the Memorandum and Articles of Association of Transferee Company and shall rank *pari passu* with the existing equity shares of the Transferee Company in all respects including dividends, bonus and rights entitlements.

12.8 The Transferee Company shall and to the extent required, after taking into account Clause 15 of the Scheme, increase or alter its authorized share capital to facilitate the issue of New Equity Shares under this Scheme.

12.9 Approval of this Scheme by the shareholders of the Transferee Company shall be deemed to be in due compliance of Sections 13, 42, 61, 62(1)(c) and any other relevant provisions of the Act and such other regulations as are relevant and applicable for increase in authorized share capital as per Clause 12.8 above and for the issue and allotment of New Equity Shares by the Transferee Company.

12.10 Given that the Second Transferor Company is a wholly owned subsidiary of the Transferee Company, where the entire issued, subscribed and paid-up share capital is held by the Transferee Company (and its nominees), there shall be no consideration required to be discharged to the equity shareholders of the Second Transferor Company upon Amalgamation of the Second Transferor Company with the Transferee Company.

13. CANCELLATION OF THE EQUITY SHARES OF THE TRANSFEREE COMPANY HELD BY THE FIRST TRANSFEROR COMPANY

13.1 Upon the Scheme becoming effective and allotment of New Equity Shares by the Transferee Company as per Clause 12 above, the existing 13,46,11,109 (Thirteen Crore Forty Six Lakh Elven Thousand One Hundred and Nine) equity shares (including any changes in the number of equity shares upto the Effective Date) having face value of INR 10 each of the Transferee Company held by the First Transferor Company which vests with the Transferee Company pursuant to this Scheme shall, without any further act, application or deed, stand cancelled without any consideration by virtue of operation of law pursuant to Amalgamation under the present Scheme. Accordingly, the paid up share capital of the Transferee Company shall stand reduced to the extent of the face value of the equity shares held by the First Transferor Company on the Effective Date.

13.2 The cancellation of equity share capital of the Transferee Company shall be effected as an integral part of this Scheme without having to follow the process under Section 66 of the Act separately and the order of the NCLT sanctioning the Scheme under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 shall be deemed to be also the order under Section 66 of the Act for the purpose of confirming the reduction. The consent/ approval of the shareholders of Transferee Company to this Scheme shall be deemed to be the consent/ approval of its shareholders for the purpose of effecting the reduction under the provisions of Section 66 of the Act as well and no further compliances would be separately required.

13.3 The reduction would not involve either a diminution of liability in respect of unpaid share capital or payment of paid-up share capital to the shareholders and the provisions of Section 66 of the Act will not be applicable.

13.4 Notwithstanding the reduction in the equity share capital of the Transferee Company, the Transferee Company shall not be required to add "And Reduced" as suffix to its name consequent to such reduction.

14. ACCOUNTING TREATMENT

Upon the Scheme becoming effective and in accordance with the applicable Indian Accounting Standards (Ind AS), the Transferee Company shall account for Amalgamation of the Transferor Companies in accordance with the 'Pooling of Interest Method' of accounting as laid down in Appendix C of Indian Accounting Standard ("Ind AS") 103 (Business Combinations of entities under common control) notified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time, in its books of accounts underlying the separate financial statements such that:

14.1. All the assets and liabilities recorded in the books of the Transferor Companies shall stand transferred to and vested in the Transferee Company pursuant to the Scheme and shall be recorded by the Transferee Company at their respective carrying values as appearing in the books underlying the separate financial statements of the Transferor Companies.

14.2. The identity of the reserves of the Transferor Companies shall be preserved and the Transferee Company shall record reserves of the Transferor Companies in the same form and at the carrying amounts as appearing in the separate financial statements of the Transferor Companies.

14.3. Inter-corporate deposit, loans and advances, receivables and payables between the Transferor Companies & Transferee Company and between the First Transferor Company & Second Transferor Company shall stand cancelled and there shall be no further obligation outstanding in this behalf.

14.4. The shares held by the Transferee Company in the Second Transferor Company shall stand cancelled. There shall be no further obligation in respect of the cancelled shares.

14.5. The investment in equity shares of the Transferee Company held by the First Transferor Company shall stand cancelled and corresponding adjustment shall be made against the Share Capital to the extent of face value of equity shares so cancelled.

14.6. The consideration discharged by the Transferee Company to the shareholders of the First Transferor Company, as prescribed in Clause 12 of this Scheme, shall be recognised at nominal/face value and credited to the Equity Share Capital of the Transferee Company.

14.7. The surplus, if any, arising after taking the effect of Clause 14.1 to 14.6 shall be transferred to Capital Reserve Account in the financial statements of the Transferee Company. The deficit, if any, arising after taking the effect of Clause 14.1 to 14.6 and adjustment of previously existing credit balance in capital reserve, if any, shall be debited to the Retained Earnings in the financial statements of the Transferee Company to the extent of the balance available in the said account. If there is further deficit, the amount will be debited to the Amalgamation Adjustment Deficit Account and its nature shall be akin to debit balance in the Statement of Profit and Loss. The balance of this account shall be presented as part of reserves and a note explaining the nature shall be given in the financial statements of the Transferee Company.

14.8. In case of any difference in accounting policies between the Transferor Companies and the Transferee Company, the accounting policies followed by the Transferee Company will prevail to ensure that the financial statements reflect the financial position based on consistent accounting policies.

14.9. The comparative financial information in the financial statements of the Transferee Company shall be restated for the accounting impact of the merger of the Transferor

Companies, as stated above, as if the merger had occurred from the beginning of the comparative period presented.

14.10. Any matter not dealt with hereinabove shall be dealt with in accordance with the Ind AS applicable to the Transferee Company.

15. AGGREGATION OF AUTHORISED SHARE CAPITAL

15.1 Upon this Scheme becoming effective, the authorized equity share capital of Rs. 2,00,00,00,000 (Rupees Two Hundred Crores Only) and Rs. 2,53,50,00,000 (Rupees Two Hundred Fifty Three Crores and Fifty Lakhs Only) of the First Transferor Company and the Second Transferor Company, respectively, shall stand consolidated with the authorized equity share capital of the Transferee Company as mentioned in Clause 15.2 below. Further, the authorized preference share capital of Rs. 13,00,00,00,000 (Rupees One Thousand and Three Hundred Crores Only) and Rs. 18,00,00,000 (Rupees Eighteen Crores Only) of the First Transferor Company and the Second Transferor Company, respectively, shall stand consolidated with the authorized preference share capital of the Transferee Company as mentioned in Clause 15.2 below. Accordingly, the authorized share capital of the Transferee Company shall stand increased to that extent without any further act, instrument or deed on the part of the Transferee Company, including without payment of stamp duty and any fees or charges payable to the Registrar of Companies, and/or to any other government authority, and by simply filing the requisite forms with the Registrar of Companies and no separate procedure or instrument or deed shall be required to be followed under the Act. The Memorandum of Association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, pursuant to Sections 13, 61, 64 and 232(3)(i) respectively of the Act and/or any other applicable provisions of the Act, as the case may be. Hence, for this purpose, the stamp duties and fees paid on the authorized share capital of the Transferor Companies shall be utilized and applied to the increased authorized share capital of the Transferee Company and no extra stamp duty and/or fees shall be required

to be paid by the Transferee Company for its increased authorized share capital, except differential fees payable in accordance with provisions of Section 232(3)(i) of the Companies Act, 2013 after setting-off fees already paid by the Transferor Companies on their respective authorised share capital.

15.2 Consequent upon the Amalgamation, the authorized share capital of the Transferee Company will be amended / altered / modified as under:

Authorized Share Capital	**Amount in Rs.**
520,85,00,000 equity shares of Rs. 10/- each	5,208,50,00,000
1,80,00,000 preference shares of Rs. 10/- each	18,00,00,000
66,00,00,000 preference shares of Rs. 100/- each	6,600,00,00,000
TOTAL	**11,826,50,00,000**

15.3 Upon coming into effect of the Scheme, Clause V(a) of the Memorandum of Association of the Transferee Company shall be amended by deleting the existing clause and replacing it by the following:

"The Authorised Share Capital of the Company is Rs. 11,826,50,00,000 (Rupees Eleven Thousand Eight Hundred Twenty Six Crore and Fifty Lakhs Only) consisting of 520,85,00,000 (Five Hundred Twenty Crore and Eighty Five Lakhs) Equity Shares of Rs.10/- (Rupees Ten Only) each, 1,80,00,000 (One Crore and Eighty Lakhs) Preference Shares of Rs.10/- (Rupees Ten Only) each and 66,00,00,000 (Sixty Six Crores) Preference Shares of Rs.100/- (Rupees One Hundred Only) each."

15.4 In case the authorized share capital of the Transferee Company or Transferor Companies undergoes any change, either as a consequence of any corporate actions or otherwise, then Clause 15.3 and other clauses shall automatically stand modified/ adjusted to take into account the effect of such change to the end and effect that the entire authorised share capital of the Transferor Companies as on the Effective Date shall be consolidated with that of the Transferee Company as on the Effective Date.

15.5 It is clarified that the consent/ approval of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment in the Memorandum of Association of the Transferee Company, and no further resolution(s) under Sections 13, 61 and 64 respectively, of the Act and/ or any other applicable provisions of the Act, would be required to be separately passed.

16. DISSOLUTION OF THE TRANSFEROR COMPANIES

16.1 Upon the Scheme becoming effective, the Transferor Companies shall be dissolved without winding up, pursuant to the order made by the Hon'ble NCLT under Sections 230 and 232 of the Act and without requiring any further act, instrument or deed from the Transferor Companies and / or the Transferee Company.

16.2 On and with effect from the Effective Date, the status of the Transferor Companies shall be reflected as 'Amalgamated' in the records of the appropriate Registrar of Companies.

17. TERMS OF SECOND TRANSFEROR COMPANY NCDs AND TRANSFEREE COMPANY NCDs

17.1 On the Scheme becoming effective, the terms of the Second Transferor Company NCDs shall continue to subsist and shall be taken over by the Transferee Company. The terms of Second Transferor Company NCDs have been provided in Annexure 1.

17.2 Further, pursuant to the SEBI Scheme Circulars, the terms of the Transferee Company NCDs have been provided in Annexure 2.

18. IMPACT OF THE SCHEME ON THE HOLDERS OF SECOND TRANSFEROR COMPANY NCDs AND TRANSFEREE COMPANY NCDs

18.1 For the holders of the Second Transferor Company NCDs and Transferee Company NCDs, the Scheme will not have any impact considering the positive net worth of the

Transferee Company post Amalgamation, therefore, there would be no impact on the ability of the Transferee Company to pay interest and repay the principal amount represented by Second Transferor Company NCDs and Transferee Company NCDs. Further, the Scheme does not provide for any alteration in the existing terms and conditions of the Second Transferor Company NCDs and Transferee Company NCDs, as specified in Annexure 1 and Annexure 2 hereto, which could have any impact on the holders of such Second Transferor Company NCDs and Transferee Company NCDs, nor is the liability towards the holders of Second Transferor Company NCDs and Transferee Company NCDs being reduced or extinguished.

18.2 As the Scheme does not in any manner affect the interest of the holders of Second Transferor Company NCDs and Transferee Company NCDs, nor does it impact the ability of the Transferee Company to discharge its obligations towards the Second Transferor Company NCDs and Transferee Company NCDs, no safeguards are being proposed under the Scheme, nor is any exit offer being offered to the dissenting holders of Second Transferor Company NCDs and Transferee Company NCDs.

19. MISCELLANEOUS

19.1 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Appropriate Authority, if required, under Applicable Law for such consents and approvals which the Transferee Company may require to own and carry on the business of Transferor Companies.

19.2 From the date on which the Board of Directors of the Companies approve this Scheme until the Effective Date, the Companies shall carry on their respective business with reasonable diligence and business prudence in the ordinary course, in accordance with Applicable Law and as mutually agreed between the Companies in writing. Notwithstanding anything to the contrary contained in this Scheme, each of the Companies shall be able to raise capital as it may deem fit during the period between the approval of the Scheme by the Board of the Companies and the Effective Date,

unless otherwise agreed between the Companies in writing. Such capital raise shall be subject to compliance of the Applicable Laws. It is further provided that the capital raise by First Transferor Company and the Transferee Company shall be done at fair value and on arm's length basis.

PART III - GENERAL TERMS AND CONDITIONS

20. APPLICATION(S) TO NCLT

20.1 The Transferor Companies and the Transferee Company shall make, as applicable, joint or separate applications / petitions and/or any other documents connected thereto under Sections 230 and 232 read with Section 66 and other applicable provisions of the Act read with applicable rules & regulations to the NCLT for sanctioning this Scheme and seeking orders for dispensing with and/ or convening, holding and conducting of the meetings of the respective classes of the members and/ or creditors and/or debenture holders of the Companies.

20.2 On the Scheme being agreed to by the requisite majorities of the respective classes of the members and/or creditors and /or debenture holders of the Transferor Companies and the Transferee Company, whether at a meeting or otherwise, or upon dispensation of such meetings in accordance with Clause 20.1, as may be directed by the NCLT, the Transferor Companies and the Transferee Company shall, with all reasonable dispatch, apply to the NCLT for sanctioning the Scheme under Section 230 and 232 read with Section 66 and all other applicable provisions of the Act, and for such other order or orders, as the NCLT may deem fit for bringing this Scheme into effect and for dissolution of the Transferor Companies without winding-up.

21. DIVIDENDS

21.1 The Companies shall be entitled to declare and make a distribution /pay dividends, whether interim or final, to their respective members / shareholders prior to the Effective Date, in accordance with Applicable Law.

21.2 It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any shareholder of the Companies to demand or claim any dividends which, subject to the provisions of

the Act, shall be entirely at the discretion of the respective Boards of Directors of the Companies, and if applicable in accordance with the provisions of the Act, be subject to the approval of the shareholders of the respective Companies.

22. MODIFICATIONS/ AMENDMENTS TO THE SCHEME

22.1 Subject to approval of the Hon'ble NCLT, the Transferor Companies and/or the Transferee Company, through their respective Board of Directors, acting jointly, may consent, on behalf of all persons concerned (including but not limited to shareholders, creditors, debenture holders and/or other concerned stakeholders), to any modifications/amendments to the Scheme or to any conditions or limitations that the Hon'ble NCLT and/or any other authorities under Applicable Law may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them (i.e. the Board of Directors) and solve all difficulties that may arise for carrying out the Scheme and do all acts, deeds and things necessary for putting the Scheme into effect.

22.2 For the purpose of giving effect to this Scheme or to any modification thereof, the Board of Directors of the Transferee Company may give and are authorised to give such directions including directions for settling any question of doubt or difficulty that may arise.

22.3 It is clarified that, if any, modifications are required post satisfaction of the conditions mentioned in Clause 23 of the Scheme and the Scheme becoming effective, the Effective Date shall not be affected by any such modifications that might be required to be made and the Effective Date for such modified Scheme shall be the same as the date on which Scheme was made effective prior to the modifications.

23. CONDITIONALITIES TO THE SCHEME

The Scheme is conditional upon and subject to the following:

23.1 The receipt of requisite approval from RBI as per the Applicable Law.

23.2 Pursuant to the provisions of the Competition Act, 2002 (including any statutory modification or re-enactment thereof) and the rules and regulations thereunder, the first of the CCI (or any appellate authority in India having appropriate jurisdiction) having either:

a. granted approval for acquisition of Svatantra Micro Housing Finance Corporation Limited by the Transferee Company pursuant to the Scheme; or

b. been deemed to have granted approval for acquisition of Svatantra Micro Housing Finance Corporation Limited by the Transferee Company pursuant to the Scheme through the expiration of time periods available for their investigation.

23.3 Obtaining no-objection/ observation letter from Stock Exchange / SEBI in relation to the Scheme under Regulation 59A of the LODR read with the SEBI Scheme Circulars.

23.4 Approval of the Scheme by the requisite majorities of the classes of the shareholders, creditors, debenture holders (where applicable) of the Transferor Companies and the Transferee Company, as required under the Act, or dispensing the meetings, as may be directed by the NCLT.

23.5 Sanction of the Scheme by NCLT under Sections 230 and 232 read with Section 66 of the Act in favour of Transferor Companies and Transferee Company, as the case may be, under the said provisions and to the necessary order sanctioning the Scheme being obtained.

23.6 Certified copy of the order of the NCLT sanctioning the Scheme being filed with the Registrar of Companies, by each of the Transferor Companies and Transferee Company.

23.7 The requisite consent, approval or permission of any other statutory or regulatory authority, which by law may be necessary for the implementation of this Scheme.

23.8 Satisfaction or waiver of such other conditions as may be mutually agreed between the Companies.

24. EFFECT OF NON-RECEIPT OF APPROVALS

In the event any of the said approvals or sanctions referred to in Clause 23 above not being obtained or conditions enumerated in the Scheme not being complied with, or for any other reason, the Scheme cannot be implemented, the Board of Directors or committee empowered thereof of the Transferor Companies and the Transferee Company shall by mutual agreement waive such conditions as they consider appropriate to give effect, as far as possible, to this Scheme and failing such mutual agreement, the Scheme shall become null and void and shall stand revoked, cancelled and be of no effect and each party shall bear and pay their respective costs, charges and expenses in connection with the Scheme.

25. BINDING EFFECT

Upon the Scheme becoming effective, the same shall be binding on the Transferor Companies and the Transferee Company and all concerned parties including but not limited to their shareholders, debenture holders, creditors, employees, stakeholders without any further act, deed, matter or thing.

26. REVOCATION, WITHDRAWAL OF THIS SCHEME

26.1 The Board of the Transferor Companies and Transferee Company shall, acting jointly, be entitled to revoke, cancel, withdraw and declare this Scheme of no effect at any stage if, (a) this Scheme is not being sanctioned by the NCLT or if any of the consents, approvals, permissions, resolutions, agreements, sanctions and conditions required for giving effect to this Scheme are not obtained or for any other reason; (b) in case any

condition or alteration imposed by the shareholders and / or creditors and/or debenture holder of the Companies, the NCLT or any other authority is not acceptable to the Board of Directors of the Companies; or (c) the Board of Directors of the Companies are of the view that the coming into effect of this Scheme, in terms of the provisions of this Scheme, could have adverse implication on all or any of the Companies or any other stakeholders.

26.2 Notwithstanding to anything mentioned in Clause 26.1, the Transferor Companies and the Transferee Company, acting jointly, shall be at liberty to withdraw the Scheme for any reason, any time before the Scheme becomes effective.

26.3 On revocation, withdrawal, or cancellation, this Scheme shall stand revoked, withdrawn, cancelled and be of no effect and in that event, no rights and liabilities whatsoever shall accrue to or be incurred inter se between the Companies or their respective shareholders or creditors or debenture holders or employees or any other person, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the Applicable Law and in such case, each of the Companies shall bear its own costs unless otherwise mutually agreed.

27. SEVERABILITY

27.1 If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Transferor Companies and Transferee Company, affect the validity or implementation of the other parts and/ or provisions of this Scheme, unless the deletion of such part shall cause this Scheme to become materially adverse to either the Transferee Company or any of the Transferor Companies, in which case the Transferee Company and Transferor Companies may, through mutual consent and acting through their respective Board of Directors, attempt to bring about appropriate modification to this Scheme, as will best preserve for each

of them, the benefits and obligation of this Scheme, including but not limited to such part.

27.2 It is hereby clarified that the submission of this Scheme to the Tribunal and to the Appropriate Authority for their respective approvals is without prejudice to all rights, interests, titles or defenses that the Transferor Companies and / or the Transferee Company may have under or pursuant to all Applicable Laws.

28. VALIDITY OF EXISTING RESOLUTIONS, ETC

Upon the Scheme becoming effective, the resolutions/ power of attorney executed by the Transferor Companies, as the case may be, that are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions and power of attorney passed/ executed by the Transferee Company, as considered necessary by the Board of the Transferee Company, and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then said limits as are considered necessary by the Board of the Transferee Company shall be added to the limits, if any, under like resolutions passed by the Transferee Company, and shall constitute the aggregate of the said limits in Transferee Company.

29. COSTS, CHARGES AND EXPENSES

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Transferor Companies and the Transferee Company arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by the Transferee Company. All stamp duty charges in connection with the NCLT order sanctioning the Scheme shall be borne and paid by the Transferee Company.

Annexure – 1

Terms of Second Transferor Company NCDs

Sr.	ISIN	Security Name	Nature of instrument (Secured/ Unsecured)	Date of allotment	Tenure/ Maturity (in years and months)	Redemption Date	Number of debentures	Face Value (per debenture)	Redemption Amount (per debenture)	Coupon Rate and payment frequency	Credit Rating	Other embedded features/ other terms of instruments/ Any other information/ details pertinent for holders
1	INE140R08056	Senior, Unsecured, Rated, Listed, Non-Convertible Debentures	Unsecured	July 28, 2022	4 years 2 months	September 28, 2026	500	10,00,000	10,00,000	12.83% and half yearly	India ratings A	• Interest is payable on a half -yearly basis and principal is payable on Maturity Date. • No call or put option has been agreed upon.
2	INE140R08072	Listed, Unsecured, Subordinated, Rated, Taxable, Redeemable, Non-Convertible Debentures	Unsecured	February 21, 2023	5 yrs 3 months	May 21, 2028	12,500	1,00,000	1,00,000	12.40% and monthly	India ratings A	• Interest is payable on a monthly basis and principal is payable on maturity date. • No call or put option has been agreed upon.
3	INE140R08080	Rated, Unsecured, Taxable, Listed, Redeemable, Non-Convertible Debentures	Unsecured	September 28, 2023	3 Years 2 Days	September 30, 2026	10,000	1,00,000	1,00,000	10.55% and monthly	CRISL A	• Interest is payable on a monthly basis and principal is payable on maturity date. • No call or put option has been agreed upon.
4	INE140R07181	Rated, Listed, Senior, Secured,	Secured	October 10, 2023	3 Years	October 10, 2026	2,500	1,00,000	1,00,000	10.10% and monthly	CRISL A	• Interest is payable on a monthly basis and principal is

Sr.	ISIN	Security Name	Nature of instrument (Secured/ Unsecured)	Date of allotment	Tenure/ Maturity (in years and months)	Redemption Date	Number of debentures	Face Value (per debenture)	Redemption Amount (per debenture)	Coupon Rate and payment frequency	Credit Rating	Other embedded features/ other terms of instruments/ Any other information/ details pertinent for holders
		Redeemable, Transferable Non-Convertible Debentures										payable on a half-yearly basis. • No call or put option has been agreed upon.
5	INE140R08098	Rated, Listed, Senior, Unsecured, Redeemable, Transferable Non-Convertible Debentures	Unsecured	October 17, 2023	1 Year 6 Months	April 17, 2025	2,500	1,00,000	1,00,000	10.45% and monthly	CRISL A	• Interest is payable on a monthly basis and principal is payable as per the schedule in terms agreed. • No call or put option has been agreed upon.
6	INE140R08106	Rated, Unsecured, Taxable, Listed, Redeemable, Non-Convertible Debentures	Unsecured	November 10, 2023	24 Months	November 10, 2025	8,500	1,00,000	1,00,000	9.75% and monthly	CRISL A	• Interest is payable on monthly basis and principal is payable on maturity. • No call or put option has been agreed upon.

Annexure – 2

Terms of Transferee Company NCDs

Sr	ISIN	Security Name	Nature of instrument (Secured/ Unsecured)	Date of allotment	Tenure/ Maturity (in years and months)	Redemption Date	Number of debentures	Face Value (per debenture)	Redemption Amount (per debenture)	Coupon Rate and payment frequency	Credit Rating	Other embedded features/ other terms of instruments/ Any other information/ details pertinent for holders
1	INE00MX08045	Rated, Listed, Unsecured, Taxable, Redeemable, Subordinated, Transferable, Nonconvertible Debentures	Unsecured	30.03.2021	5 years 6 Months	30.09.2026	600	10,00,000	10,00,000	12.90% and yearly	Crisil AA-	• Interest is payable on a yearly basis and principal is payable as on maturity. • No call or put option has been agreed upon.

svatantra
self sufficiency through efficiency

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF SVATANTRA MICROFIN PRIVATE LIMITED ON NOVEMBER 6, 2024 EXPLAINING THE EFFECT OF THE SCHEME ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS

The Board of Directors ('Board') of Svatantra Microfin Private Limited ("Transferee Company") at its meeting held on November 6, 2024 had considered and approved the Scheme of Amalgamation between Svatantra Holdings Private Limited ("First Transferor Company"), Chaitanya India Fin Credit Private Limited ("Second Transferor Company") with Svatantra Microfin Private Limited ("Transferee Company" or "the Company") and their respective shareholders under the provisions of Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 ('the Act') and rules and regulations framed thereunder (hereinafter referred to as 'Scheme').

As per section 232(2)(c) of the Companies Act, 2013, a report adopted by the Board, explaining effect of the Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders of the Company laying out in particular the share exchange ratio specifying any special valuation difficulties, is required to be circulated along with the notice convening the meeting, in accordance with directions of the Tribunal.

Accordingly, this report was adopted by the Board at its Meeting held on November 6, 2024, in pursuance to the requirements of Section 232(2)(c) of the Act.

At the Board meeting, following documents were placed before the Board for their consideration:

a. Draft Scheme;
b. The Valuation cum Share Entitlement Ratio Report & Fair Ratio of Entitlement for NCD holders dated November 6, 2024 ("Valuation Reports") from Bansi S. Mehta Valuers LLP, an independent Registered Valuer (IBBI Registration Number: IBBI/RV/06/2019/10666), recommending the fair security exchange ratio; and
c. The Fairness Opinions dated November 6, 2024 ("Fairness Opinions") issued by Inga Ventures Private Limited, an independent Merchant Banker (SEBI Registration Number: INM000012698) on the Valuation Reports.

Based on review of the above-mentioned documents, the Board noted that:

1. As a result of the Scheme, the shareholders of the First Transferor Company shall be issued equity shares of the Transferee Company in following share entitlement ratio:

   To the equity shareholders of the First Transferor Company
   "9 (Nine) Equity Shares having face value of INR 10/- each of Transferee Company to be issued to the equity shareholders of the First Transferor Company for every 52 (Fifty- Two) Equity Share having face value of INR 10/- each held in the First Transferor Company ("Equity Share Exchange Ratio")"

   To the preference shareholders of the First Transferor Company
   "90 (Ninety) Equity Shares having face value of INR 10/- each of Transferee Company to be issued to the preference shareholders of the First Transferor Company for every 52 (Fifty-Two) preference share having face value of INR 100/- each held in the First Transferor Company ("Preference Share Exchange Ratio")"

This share entitlement ratio has been recommended as per the Valuation Report dated November 6, 2024, obtained from Bansi S. Mehta Valuers LLP, Registered Valuer - Securities or Financial Assets (IBBI Registration Number: IBBI/RV/06/2019/10666). There were no special valuation difficulties reported by the valuer.

2. Upon the Scheme becoming effective and allotment of New Equity Shares by the Transferee Company, the existing 13,46,11,109 (Thirteen Crore Forty Six Lakh Elven Thousand One Hundred and Nine) equity shares having face value of INR 10 each of the Transferee Company held by the First Transferor Company shall, without any further act, application or deed, stand cancelled without any consideration.

3. Second Transferor Company is wholly owned subsidiary of the Company. Hence, upon the Scheme becoming effective, no shares of the Company shall be allotted in consideration of merger of the Second Transferor Company. Therefore, share exchange ratio is not required as regards the merger of Second Transferor Company.

4. As all the assets and liabilities of the First Transferor Company and Second Transferor Company shall stand transferred to the Transferee Company and the equity shareholders & preference shareholders of the First Transferor Company shall be allotted equity shares of the Transferee Company pursuant to the Scheme, hence the rights and interest of the shareholders and/or the creditors and /or debenture holders of the Transferee Company shall not be affected and the Scheme shall also not be prejudicial to the interest of the shareholders and/or creditors and /or debenture holders of the Transferee Company.

5. The objects/rationale of the Scheme is as under:
   a. Enabling geographical diversification of the portfolio, coverage of complementary markets and consumer segments in line with focused strategy of building a comprehensive gross loan portfolio; entering newer markets and driving penetration thereby strengthening the position of being amongst the largest NBFC-MFI in the microfinance market.
   b. Simplification of the group structure. Further, pursuant to the Scheme Svatantra Micro Housing Finance Corporation Limited will become a direct wholly owned subsidiary of the Transferee Company.
   c. Enabling creation of well diversified and large borrowing book with significantly improvement in portfolio quality and cost efficiencies thereby providing potential and ability to reprice liabilities in the combined entity, generating higher spread for the combined organization.
   d. The Amalgamation will create value for and would be in the interest of various stakeholders including shareholders, creditors, debenture holders, customers, and employees as combined entity will benefit from increased scale, product and geographical diversification, stronger balance sheet, availability of talent in financial, managerial and technical resources of the Transferor Companies and the Transferee Company pooled together amongst others, leading to synergies, cost reduction and efficiencies.

e. Avoidance of duplication of administrative functions, reduction in multiplicity of legal and regulatory compliances and cost.

f. Access to a large client base and availability of increased resources, expertise and assets in the Transferee Company can be utilized for further strengthening the customer base and servicing its existing as well prospective customers.

Accordingly, as per Section 232(2)(c) of the Companies Act, 2013, the Board hereby takes on record the impact of the Scheme on the following stakeholders of the Transferee Company:

Effect of the Scheme on:	
(a) Equity shareholders;	No Effect
(b) key managerial personnel;	No Effect
(c) directors;	No Effect
(d) promoters;	No Effect
(e) non-promoter members;	No Effect
(f) depositors;	Not Applicable
(g) creditors;	No Effect
(h) debenture holders;	No Effect
(i) deposit trustee and debenture trustee;	No Effect
(j) employees	No Effect

For and on behalf of the Board of Directors
Svatantra Microfin Private Limited





Vineet Bijendra Chattree
Managing Director
DIN: 07962531
Date: November 6, 2024
Place: Mumbai

SVATANTRA HOLDINGS PRIVATE LIMITED
Regd. Office: 213, 2nd Floor, T.V. Industrial Estate, 52, S.K. Ahire Marg, Worli, Mumbai- 400030
CIN No. - U67200MH2018PTC309327; E-mail ID: anil.chirania@adityabirla.com; Contact: 022-24952543

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF SVATANTRA HOLDINGS PRIVATE LIMITED ON NOVEMBER 6, 2024 EXPLAINING THE EFFECT OF THE SCHEME ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS

The Board of Directors ('Board') of Svatantra Holdings Private Limited ("First Transferor Company" or "the Company") at its meeting held on November 6, 2024 had considered and approved the Scheme of Amalgamation between Svatantra Holdings Private Limited ("First Transferor Company"), Chaitanya India Fin Credit Private Limited ("Second Transferor Company") with Svatantra Microfin Private Limited ("Transferee Company") and their respective shareholders under the provisions of Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 ('the Act') and rules and regulations framed thereunder (hereinafter referred to as 'Scheme').

As per section 232(2)(c) of the Companies Act, 2013, a report adopted by the Board, explaining effect of the Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders of the Company laying out in particular the share exchange ratio specifying any special valuation difficulties, is required to be circulated along with the notice convening the meeting, in accordance with directions of the Tribunal.

Accordingly, this report was adopted by the Board at its Meeting held on November 6, 2024, in pursuance to the requirements of Section 232(2)(c) of the Act.

At the Board meeting, following documents were placed before the Board for their consideration:

a. Draft Scheme;
b. The Valuation cum Share Entitlement Ratio Report dated November 6, 2024 ("Valuation Report") from Bansi S. Mehta Valuers LLP, an independent Registered Valuer (IBBI Registration Number: IBBI/RV/06/2019/10666), recommending the fair share exchange ratio; and
c. The Fairness Opinion dated November 6, 2024 ("Fairness Opinion") issued by Inga Ventures Private Limited, an independent Merchant Banker (SEBI Registration Number: INM000012698) on the Valuation Report.

Based on review of the above-mentioned documents, the Board noted that:

1. As a result of the Scheme, the shareholders of the First Transferor Company shall be issued equity shares of the Transferee Company in following share entitlement ratio:

   To the equity shareholders of the First Transferor Company
   "9 (Nine) Equity Share having face value of INR 10/- each of Transferee Company to be issued to the equity shareholders of the First Transferor Company for every 52 (Fifty-Two) Equity Share having face value of INR 10/- each held in the First Transferor Company ("Equity Share Exchange Ratio")"

   To the preference shareholders of the First Transferor Company
   "90 (Ninety) Equity Share having face value of INR 10/- each of Transferee Company to be issued to the preference shareholders of the First Transferor Company for every 52 (Fifty-Two) preference share having face value of INR 100/- each held in the First Transferor Company ("Preference Share Exchange Ratio")"

This share entitlement ratio has been recommended as per the Valuation Report dated November 6, 2024, obtained from Bansi S. Mehta Valuers LLP, Registered Valuer - Securities or Financial Assets (IBBI Registration Number: IBBI/RV/06/2019/10666). There were no special valuation difficulties reported by the valuer.

2. Upon the Scheme becoming effective and allotment of New Equity Shares by the Transferee Company, the existing 13,46,11,109 (Thirteen Crore Forty Six Lakh Elven Thousand One Hundred and Nine) equity shares having face value of INR 10 each of the Transferee Company held by the First Transferor Company shall, without any further act, application or deed, stand cancelled without any consideration.

3. As all the assets and liabilities of the First Transferor Company shall stand transferred to the Transferee Company and the equity shareholders & preference shareholders of the First Transferor Company shall be allotted equity shares of the Transferee Company pursuant to the Scheme, hence the rights and interest of the shareholders and/or the creditors of the First Transferor Company shall not be affected and the Scheme shall also not be prejudicial to the interest of the shareholders and/or creditors of the First Transferor Company.

4. The objects/rationale of the Scheme is as under:

   a. Enabling geographical diversification of the portfolio, coverage of complementary markets and consumer segments in line with focused strategy of building a comprehensive gross loan portfolio; entering newer markets and driving penetration thereby strengthening the position of being amongst the largest NBFC-MFI in the microfinance market.

   b. Simplification of the group structure. Further, pursuant to the Scheme Svatantra Micro Housing Finance Corporation Limited will become a direct wholly owned subsidiary of the Transferee Company.

   c. Enabling creation of well diversified and large borrowing book with significantly improvement in portfolio quality and cost efficiencies thereby providing potential and ability to reprice liabilities in the combined entity, generating higher spread for the combined organization.

   d. The Amalgamation will create value for and would be in the interest of various stakeholders including shareholders, creditors, debenture holders, customers, and employees as combined entity will benefit from increased scale, product and geographical diversification, stronger balance sheet, availability of talent in financial, managerial and technical resources of the Transferor Companies and the Transferee Company pooled together amongst others, leading to synergies, cost reduction and efficiencies.

   e. Avoidance of duplication of administrative functions, reduction in multiplicity of legal and regulatory compliances and cost.

f. Access to a large client base and availability of increased resources, expertise and assets in the Transferee Company can be utilized for further strengthening the customer base and servicing its existing as well prospective customers.

Accordingly, as per Section 232(2)(c) of the Companies Act, 2013, the Board hereby takes on record the impact of the Scheme on the following stakeholders of the Company:

Effect of the Scheme on:	
(a) Equity shareholders;	No Effect
(b) key managerial personnel;	No Effect
(c) directors;	No Effect
(d) promoters;	No Effect
(e) non-promoter members;	No Effect
(f) depositors;	Not Applicable
(g) creditors;	No Effect
(h) debenture holders;	Not Applicable
(i) deposit trustee and debenture trustee;	Not Applicable
(j) employees	No Effect

For and on behalf of the Board of Directors,
Svatantra Holdings Private Limited

SVATANTRA HOLDINGS PRIVATE LIMITED MUMBAI

Anil Chirania
Director
DIN: 01082719
Date: November 6, 2024
Place: Mumbai

Chaitanya India Fin Credit Private Limited

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF CHAITANYA INDIA FIN CREDIT PRIVATE LIMITED ON NOVEMBER 6, 2024 EXPLAINING THE EFFECT OF THE SCHEME ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS

The Board of Directors ('Board') of Chaitanya India Fin Credit Private Limited ("Second Transferor Company" or "the Company") at its meeting held on November 6, 2024 had considered and approved the Scheme of Amalgamation between Svatantra Holdings Private Limited ("First Transferor Company"), Chaitanya India Fin Credit Private Limited ("Second Transferor Company") with Svatantra Microfin Private Limited ("Transferee Company") and their respective shareholders under the provisions of Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 ('the Act') and rules and regulations framed thereunder (hereinafter referred to as 'Scheme').

As per section 232(2)(c) of the Companies Act, 2013, a report adopted by the Board, explaining effect of the Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders of the Company laying out in particular the share exchange ratio specifying any special valuation difficulties, is required to be circulated along with the notice convening the meeting, in accordance with directions of the Tribunal.

Accordingly, this report was adopted by the Board at its Meeting held on November 6, 2024, in pursuance to the requirements of Section 232(2)(c) of the Act.

At the Board meeting, following documents were placed before the Board for their consideration:

a. Draft Scheme;
b. The Valuation cum Share Entitlement Ratio Report & Fair Ratio of Entitlement for NCD holders dated November 6, 2024 ("Valuation Reports") from Bansi S. Mehta Valuers LLP, an independent Registered Valuer (IBBI Registration Number: IBBI/RV/06/2019/10666), recommending the fair security exchange ratio; and
c. The Fairness Opinions dated November 6, 2024 ("Fairness Opinions") issued by Inga Ventures Private Limited, an independent Merchant Banker (SEBI Registration Number: INM000012698) on the Valuation Reports.

Based on review of the above-mentioned documents, the Board noted that:

1. Second Transferor Company is wholly owned subsidiary of the Transferee Company. Hence, upon the Scheme becoming effective, no shares of the Transferee Company shall be allotted in consideration of merger of the Second Transferor Company. Therefore, share exchange ratio is not required as regards the merger of Second Transferor Company.

2. On the Scheme becoming effective, all the assets and liabilities of the Company shall be transferred to the Transferee Company. Further, the rights & interest of the creditors and/ or debenture holders of the Company shall not be affected and the Scheme shall also not be prejudicial to the interest of the creditors and/ or debenture holders of the Company.

3. The objects/rationale of the Scheme is as under:

    a. Enabling geographical diversification of the portfolio, coverage of complementary markets and consumer segments in line with focused strategy of building a comprehensive gross loan portfolio; entering newer markets and driving penetration thereby strengthening the position of being amongst the largest NBFC-MFI in the microfinance market.

b. Simplification of the group structure. Further, pursuant to the Scheme Svatantra Micro Housing Finance Corporation Limited will become a direct wholly owned subsidiary of the Transferee Company.
c. Enabling creation of well diversified and large borrowing book with significantly improvement in portfolio quality and cost efficiencies thereby providing potential and ability to reprice liabilities in the combined entity, generating higher spread for the combined organization.
d. The Amalgamation will create value for and would be in the interest of various stakeholders including shareholders, creditors, debenture holders, customers, and employees as combined entity will benefit from increased scale, product and geographical diversification, stronger balance sheet, availability of talent in financial, managerial and technical resources of the Transferor Companies and the Transferee Company pooled together amongst others, leading to synergies, cost reduction and efficiencies.
e. Avoidance of duplication of administrative functions, reduction in multiplicity of legal and regulatory compliances and cost.
f. Access to a large client base and availability of increased resources, expertise and assets in the Transferee Company can be utilized for further strengthening the customer base and servicing its existing as well prospective customers.

Accordingly, as per Section 232(2)(c) of the Companies Act, 2013, the Board hereby takes on record the impact of the Scheme on the following stakeholders of the Second Transferor Company:

Effect of the Scheme on:	
(a) Equity shareholders;	No Effect
(b) key managerial personnel;	No Effect
(c) directors;	No Effect
(d) promoters;	No Effect
(e) non-promoter members;	Not Applicable
(f) depositors;	Not Applicable
(g) creditors;	No Effect
(h) debenture holders;	No Effect
(i) deposit trustee and debenture trustee;	No Effect
(j) employees	No Effect

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

Vineet Bijendra Chattree
Director
DIN: 07962531
Date: November 6, 2024
Place: Mumbai

S.R. BATLIBOI & CO. LLP
Chartered Accountants

12th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai - 400 028, India

Tel: +91 22 6819 8000

Independent Auditor's Report on the accounting treatment in the Proposed Scheme of arrangement under Sections 230 to 232 of the Companies Act, 2013, relevant rules thereunder and SEBI Master Operational Circular no. SEBI/HO/DDHS/PoD1/P/CIR/ 2023/108

To,
The Board of Directors,
Svatantra Microfin Private Limited
Sunshine Tower, Level 20,
Senapati Bapat Marg,
Elphinstone Road (W), Mumbai – 400 013,
Maharashtra, India

Based on the procedures performed by us as referred to in paragraph 11 of Annexure I and according to the information and explanations received and management representations obtained, we, the statutory auditors of Svatantra Microfin Private Limited, (hereinafter referred to as "the Company") inter-alia conclude that nothing has come to our attention that causes us to believe that:

i. The Company, after the amalgamation (the "Resultant Company") is not capable of payment of interest and/or repayment of principal of its borrowings including listed Non-Convertible Debentures; and
ii. The proposed accounting treatment specified in clause 14 of the Scheme of Amalgamation between the Company and Svatantra Holdings Private Limited ("First Transferor Company") and Chaitanya India Fin Credit Private Limited ("Second Transferor Company") (the "Draft Scheme" or "Proposed Scheme") is not in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including circulars issued thereunder and is not in terms of the provision of Section 133 of the Companies Act, 2013 with reference to its compliance with the applicable Accounting Standards notified under the Companies Act, 2013 and Other Generally Accepted Accounting Principles read with General Circular No 09/2019 issued by the Ministry of Corporate Affairs dated August 21, 2019 ('MCA Circular'). The Scheme has been initialed by us for identification purposes only.

The responsibility for the preparation of the Draft Scheme and compliance with relevant laws and regulations, including applicable Accounting Standards as aforesaid, is that of the Boards of Directors of the companies involved. Our responsibility is to provide limited assurance and conclude whether the Draft Scheme complies with the applicable Accounting Standards and Other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.

This Certificate is to be read with enclosed Annexure I which forms an integral part of this certificate.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No.: 301003E/E300005

RUTUSHTRA KHURSHID PATELL

Digitally signed by RUTUSHTRA KHURSHID PATELL
DN: cn=RUTUSHTRA KHURSHID PATELL, c=IN, o=Personal, email=rutushtra.patell@srb.in
Date: 2024.11.07 22:45:19 +05'30'

per Rutushtra Patell
Partner
Membership Number: 123596

UDIN: 24123596BKCIPL1372

Place of Signature: Mumbai
Date: November 7, 2024

Annexure I to the Report

To,
The Board of Directors,
Svatantra Microfin Private Limited
Sunshine Tower, Level 20,
Senapati Bapat Marg,
Elphinstone Road (W), Mumbai – 400 013,
Maharashtra, India

1. This certificate is issued in accordance with the terms of our service scope letter dated October 23, 2024, and master engagement agreement dated October 21, 2024, with Svatantra Microfin Private Limited (the "Company" or the "Transferee Company") pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onwards submission to the Bombay Stock Exchange (BSE), National Company Law Tribunal (hereinafter the "NCLT") and any other regulatory authorities in connection with the scheme of arrangement as mentioned in paragraph 2 below.

2. We, S.R. Batliboi & Co. LLP, Chartered Accountants, are the Statutory Auditors of the Company and have been requested by the management of the Company, to:

    a. report whether the Company after the amalgamation (the "Resultant Company") is capable of payment of interest and / or repayment of principal of its borrowings including listed Non-Convertible Debentures and
    b. examine the accounting treatment given in clause 14 of the attached Scheme of Amalgamation of Company and Svatantra Holdings Private Limited ("First Transferor Company") and Chaitanya India Fin Credit Private Limited ("Second Transferor Company") approved by the Board of Directors in their meeting dated November 6, 2024 (the "Draft Scheme" or "Proposed Scheme"), in terms of the provisions of sections 230 to 232 and all other applicable provisions of the Companies Act, 2013 ("the Act") and SEBI Master Circular SEBI/HO/DDHS/PoD1/P/CIR/2023/108 ('SEBI Master Circular'), for compliance with the applicable accounting standards prescribed under section 133 of the Companies Act, 2013, relevant rules thereunder and other generally accepted accounting principles in India (collectively referred to as 'applicable accounting standards'), read with General Circular No 09/2019 issued by the Ministry of Corporate Affairs dated August 21, 2019 ("MCA Circular"). The accounting treatment as prescribed in the Proposed Scheme has been included in Annexure II which has been initialled by us for identification purposes only.

Management's Responsibility

3. The preparation of the Draft Scheme is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Proposed Scheme and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The Proposed Scheme has been approved by the Board of Directors.

4. The management of the Company is also responsible for ensuring that the Company complies with the relevant laws and regulations, including the applicable accounting standards as aforesaid and circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and also provides relevant information to the NCLT.

Auditor's Responsibility

5. Pursuant to the requirements of Section 230 of the Companies Act, 2013 and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and SEBI Master Circular No. SEBI/HO/DDHS/PoD1/P/CIR/2023/108 dated July 29, 2022 (updated as on June 30, 2023) ('SEBI Master Circular'), our responsibility is to provide a limited assurance and conclude as to whether:

    a. the resultant company is capable of payment of interest and / or repayment of principal of its borrowings including listed Non-Convertible Debentures and

b. the proposed accounting treatment specified in clause 14 of the Draft Scheme of Amalgamation is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including circulars issued thereunder and in terms of the provisions of section 133 of the Companies Act, 2013 with reference to its compliance with the applicable Accounting Standards notified under the Companies Act, 2013 and Other Generally Accepted Accounting Principles read with MCA circular.

6. The Predecessor auditors have audited the standalone financial statements of the Company as of and for the financial year ended March 31, 2024, on which they have issued an unmodified audit opinion vide their report dated May 29, 2024.

7. We have performed a limited review of the unaudited standalone financial results of the Company for the period ended September 30, 2024, prepared by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and issued an unmodified conclusion dated October 28, 2024. Our review of those financial results was conducted in accordance with the Standard on Review Engagements '(SRE') 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India ("ICAI"). This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results is free of material misstatement.

8. We conducted our examination of the Annexure II in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

10. Our scope of work did not involve us performing any audit tests in the context of our examination. We have not performed an audit, the objective of which would be to express an opinion on the specified elements, accounts or items thereof for the purpose of this report. Accordingly, we do not express such opinion. Further, our examination did not extend to any aspects of legal or propriety nature of the Proposed Scheme and other compliances thereof. Nothing contained in this report, nor anything said or done in the course of, or in connection with the services that are subject to this report, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company.

11. A limited assurance engagement includes performing procedures to obtain sufficient appropriate evidence on the applicable criteria, mentioned in paragraph 5 above. The procedures performed vary in nature and timing from, and are less extent than for, a reasonable assurance. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, our procedures included the following in relation to the Annexure II:

a. Obtained and read the Draft Scheme and the proposed accounting treatment specified therein (clause 14 of Draft Scheme).
b. Obtained copy of resolution passed by the Board of Directors of the Company dated November 6, 2024 approving the Proposed Scheme.
c. Examined whether the proposed accounting treatment as per Clause 14 of the Proposed Scheme is in compliance with the Applicable Accounting Standards.
d. Reviewed the audit reports of the Company, First Transferor Company and Second Transferor Company (together referred to as 'Amalgamating Companies') for the year ended 31 March 2024 and limited review reports for the quarter and Half year ended 30 September 2024 of Company and Second transferor Company and auditor report on interim condensed financial statement of the First Transferor Company for the half year ended 30 September 2024 for any qualification/adverse comment pertaining to the 'going concern' status of the Amalgamating Companies.
e. Obtained the Credit Ratings of the Amalgamating Companies and observed the category of ratings.

f. Obtained and verified the repayment period, frequency of payment of interest and terms of the borrowings including non-convertible debentures from the underlying agreements.
g. Obtained management's assessment and the Asset Liability Management ('ALM') report as at 30 September 2024 of the Resultant Company relating to the ability of the repayment of principal and payment of interest of its borrowings including listed Non-Convertible Debentures, as and when it falls due, during the tenure of borrowings including listed Non-Convertible Debentures. We have relied on management's assessment and not performed any further procedures in this regard.
h. Performed necessary inquiries with the management and obtained necessary representations from the management.

Restriction on Use

12. This report has been issued at the request of the Company and is addressed to and provided to the Board of Directors pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onwards submission to the Bombay Stock Exchange (BSE) and National Company Law Tribunal (NCLT) and any other regulatory authority in connection with the Proposed Scheme and should not be used for any other person or purpose or distributed to anyone or referred to in any document. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No.: 301003E/E300005

RUTUSHTRA KHURSHID PATELL

Digitally signed by RUTUSHTRA KHURSHID PATELL
DN: cn=RUTUSHTRA KHURSHID PATELL, c=IN, o=Personal, email=rutushtra.patell@srb.in
Date: 2024.11.07 22:46:02 +05'30'

per Rutushtra Patell
Partner
Membership Number: 123596

UDIN: 24123596BKCIPL1372

Place of Signature: Mumbai
Date: November 7, 2024

Annexure II to the Report

Extract of the Proposed Scheme of Amalgamation

14. ACCOUNTING TREATMENT

Upon the Scheme becoming effective and in accordance with the applicable Indian Accounting Standards (Ind AS), the Transferee Company shall account for Amalgamation of the Transferor Companies in accordance with the 'Pooling of Interest Method' of accounting as laid down in Appendix C of Indian Accounting Standard ("Ind AS") 103 (Business Combinations of entities under common control) notified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time, in its books of accounts underlying the separate financial statements such that:

14.1. All the assets and liabilities recorded in the books of the Transferor Companies shall stand transferred to and vested in the Transferee Company pursuant to the Scheme and shall be recorded by the Transferee Company at their respective carrying values as appearing in the books underlying the separate financial statements of the Transferor Companies.

14.2. The identity of the reserves of the Transferor Companies shall be preserved and the Transferee Company shall record reserves of the Transferor Companies in the same form and at the carrying amounts as appearing in the separate financial statements of the Transferor Companies.

14.3. Inter-corporate deposit, loans and advances, receivables and payables between the Transferor Companies & Transferee Company and between the First Transferor Company & Second Transferor Company shall stand cancelled and there shall be no further obligation outstanding in this behalf.

14.4. The shares held by the Transferee Company in the Second Transferor Company shall stand cancelled. There shall be no further obligation in respect of the cancelled shares.

14.5. The investment in equity shares of the Transferee Company held by the First Transferor Company shall stand cancelled and corresponding adjustment shall be made against the Share Capital to the extent of face value of equity shares so cancelled.

14.6. The consideration discharged by the Transferee Company to the shareholders of the First Transferor Company, as prescribed in Clause 12 of this Scheme, shall be recognised at nominal/face value and credited to the Equity Share Capital of the Transferee Company.

14.7. The surplus, if any, arising after taking the effect of Clause 14.1 to 14.6 shall be transferred to Capital Reserve Account in the financial statements of the Transferee Company. The deficit, if any, arising after taking the effect of Clause 14.1 to 14.6 and adjustment of previously existing credit balance in capital reserve, if any, shall be debited to the Retained Earnings in the financial statements of the Transferee Company to the extent of the balance available in the said account. If there is further deficit, the amount will be debited to the Amalgamation Adjustment Deficit Account and its nature shall be akin to debit balance in the Statement of Profit and Loss. The balance of this account shall be presented as part of reserves and a note explaining the nature shall be given in the financial statements of the Transferee Company.

14.8. In case of any difference in accounting policies between the Transferor Companies and the Transferee Company, the accounting policies followed by the Transferee Company will prevail to ensure that the financial statements reflect the financial position based on consistent accounting policies.

14.9. The comparative financial information in the financial statements of the Transferee Company shall be restated for the accounting impact of the merger of the Transferor Companies, as stated above, as if the merger had occurred from the beginning of the comparative period presented.

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14.10. Any matter not dealt with hereinabove shall be dealt with in accordance with the Ind AS applicable to the Transferee Company.

For Svatantra Microfin Private Limited

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Vrushali Mahajan
Chief Financial Officer

BSE
The Power of Vibrance

DCS/AMAL/TS/REG59A/3514/2024-25

February 06, 2025

To,

The Company Secretary,
SVATANTRA MICROFIN PRIVATE LIMITED

Sunshine Tower, Level 20, Senapati Bapat Marg, Elphinstone Road, Mumbai City, Mumbai, Maharashtra, India, 400013

The Company Secretary,
CHAITANYA INDIA FIN CREDIT PRIVATE LIMITED
Sunshine Tower, Level 20, Senapati Bapat Marg, Elphinstone Road, Delisle Road, Mumbai, Mumbai, Maharashtra, India, 400013

Sub: Observation letter regarding Draft Scheme of Amalgamation between Svatantra Holdings Private Limited ("First Transferor Company"), Chaitanya India Fin Credit Private Limited ("Second Transferor Company"), and Svatantra Microfin Private Limited ("Resultant Company"/ "Transferee Company"), and their respective shareholders

We are in receipt of the Observation letter regarding Draft Scheme of Amalgamation between Svatantra Holdings Private Limited, Chaitanya India Fin Credit Private Limited and Svatantra Microfin Private Limited and their respective shareholders under Sections 230 To 232 Of The Companies Act, 2013 and other applicable provisions and rules framed thereunder as required under SEBI Master circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/665 dated November 23, 2021 along with SEBI circular no. SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2022/156 dated November 17, 2022 and Regulation 59A & 94A & Schedule XI OF Listing Regulations and Chapter XII of the SEBI operational Circular ref. no. SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/0000000103 dated July 29,2022(as amended from time to time), SEBI (LODR) Regulations, 2015; SEBI vide its letter dated February 06, 2025, has inter alia given the following comment(s) on the Scheme of Amalgamation:

a. **"The entities involved in the proposed scheme shall not provide any mis-statement or furnish false information with regard to disclosures to be made in the draft scheme of amalgamation as per Chapter XII of the Operational Circular, for listing obligations and disclosure requirements for Non- Convertible Securities, Securitized Debt Instrument and / or Commercial Paper."**

b. **"The entities involved in the scheme are advised that the observations of SEBI / Stock Exchanges shall be incorporated in the petition to be filed before Hon'ble NCLT and the Company obliged to bring the observations to the notice of Hon'ble NCLT."**

c. **"The Company shall ensure that additional information, if any, submitted by the Listed Entity, after filing the Scheme with the Stock Exchange, from the date of receipt of this letter, is displayed on the websites of the Listed Entity and the Stock Exchange."**

d. **"The Listed Entity involved in the proposed scheme shall disclose the No-Objection letter of the Stock Exchange on its website within 24 hours of receiving the same."**

e. **"The Company shall ensure to disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against the "Resultant Company", its promoters and directors are disclosed in the scheme filed before Hon'ble NCLT."**

f. **"The Resultant Company shall ensure that the "Scheme" shall be acted upon subject to the entities complying with the relevant clause mentioned in the scheme document."**

g. **"Company to ensure that no changes to the draft Scheme except those mandated by the regulators / authorities / tribunals shall be made without specific written consent of SEBI."**

h. **"Company shall ensure that the entities involved in the proposed scheme have compiled with the relevant provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Covenants of the Debenture Trust Deeds entered with the Debenture Trustee(s) any other relevant regulations and circulars."**

i. **"It is to be noted that the petitions are filed by the Company before Hon'ble NCLT after processing and communication of comments/observations on draft Scheme by SEBI / Stock Exchange. Hence, the Company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."**

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

i. To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
ii. To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
iii. To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted company involved in the format prescribed for abridged prospectus as specified in the SEBI Mater Circular SEBI/HO/DDHS/DDHS-PoD-1/P/CIR/2024/48 dated May 21, 2024.

Kindly note that as required under Regulation 59A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

INTERNAL

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the Listing Centre only and no physical filings would be accepted.** You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,

Sabah Vaze
Senior Manager

Tanmayi Lele
Assistant Manager

IN ERNAL

REPORT ON

RECOMMENDATION OF

SHARE ENTITLEMENT RATIO

FOR THE

PROPOSED AMALGAMATION

OF

CHAITANYA INDIA FIN CREDIT PRIVATE LIMITED

AND

SVATANTRA HOLDINGS PRIVATE LIMITED

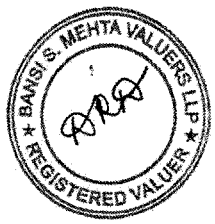
INTO

SVATANTRA MICROFIN PRIVATE LIMITED

BANSI S. MEHTA VALUERS LLP
Registered Valuer: Securities or Financial Assets
11/13 Botawala Building,
2nd Floor, Horniman Circle Fort
Mumbai – 400 001.

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1. Glossary of Abbreviation

Abbreviation	Definition
BSE	BSE Limited
CCM	Comparable Companies Multiple Method
CIFCPL	Chaitanya India Fin Credit Private Limited
Comparable Companies	Comparable Companies in similar line of business
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation
ICAI	Institute of Chartered Accountants of India
Investors	Violincia Limited and Multiples Private Equity Fund III, IV and Gift Fund IV
IVS	ICAI Valuation Standards
Management	Management of the Companies
NSE	National Stock Exchange of India Limited
Proposed Amalgamation	Proposed Amalgamation of Chaitanya India Fin Credit Private Limited and Svatantra Holdings Private Limited into Svatantra Microfin Private Limited
SHPL	Svatantra Holdings Private Limited
SMPL	Svatantra Microfin Private Limited
SMHFC	Svatantra Micro Housing Financial Corporation Limited
the Companies	SMPL, SHPL and CIFCPL respectively
Valuation Date	November 4, 2024
Valuation Subjects	SMPL, SHPL and CIFCPL respectively
WAP	Weighted Average Price

2. Introduction and Brief History

2.1. There is a proposal before the Board of Directors of the Companies to merge SHPL and CIFCPL into SMPL. Upon the proposed amalgamation, the consideration would be as under:

- Merger of SHPL:
  Equity shares of SMPL to be issued to the shareholders of SHPL.

- Merger of CIFCPL:
  CIFCPL is a wholly owned subsidiary of SMPL. Therefore, upon its amalgamation with SMPL, equity shares of CIFCPL would stand cancelled.

The aforesaid amalgamation is contemplated by way of a composite scheme of amalgamation under section 230 to 232 of the Companies Act, 2013 read along with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("**Scheme**") ("**Proposed Amalgamation**").

2.2. In this regard, we have been called upon by the Management vide Engagement Letter dated November 1, 2024 to recommend Share Exchange Ratio for the Proposed Amalgamation.

2.3. Accordingly, this report sets out the findings of the exercise. For the purpose of our Report, we have considered the Valuation Date as November 4,2024.

2.4. Brief Profile of the Companies

2.4.1. Svatantra Holdings Private Limited

Svantantra Holdings Private Limited was incorporated on May 11, 2018 under the Companies Act, 2013 and registered at Registrar of Companies, Mumbai, Maharashtra. SHPL has its registered office at 213, Second Floor, TV Industrial Estate, 52, SK Ahire Marg, Worli, Mumbai - 400030

SHPL is an unregistered Core Investment Company in terms of Core Investment Companies (Reserve Bank) Directions, 2016, issued by the RBI on August 25, 2016. SHPL is engaged in the business of making investments in equity shares, preference shares and other securities.

The Authorised, issued, subscribed and paid-up share capital of SHPL as at the Valuation Date is as follows:

Share Capital	Amt (Rs. in lakhs)
Authorised Share Capital	
20,00,00,000 Equity shares of Rs. 10/- each	20,000.00
13,00,00,000 Preference shares capital of Rs. 100/- each	1,30,000.00
Total	**1,50,000.00**

Issued, Subscribed & paid up capital:	
Equity Share Capital	
1,00,000 Equity shares of Rs. 10/- each fully paid up	10.00
CCPS	
12,14,00,000 6% Compulsory convertible non-cumulative preference shares (CCPS) of ₹ 100 each fully paid up	1,21,400.00
Total	**1,21,410.00**

The foregoing equity share capital is held as follows:

Shareholder	Number of Shares held	Percentage of shareholding
Ananyashree Birla	90,000	90%
Anil Chirania	5,000	5%
Shriram Jagetiya	5,000	5%
Total	**1,00,000**	**100%**

The foregoing CCPS are held as follows:

Shareholder	Number of Shares held	Percentage of shareholding
IGH Holdings Private Limited	12,14,00,000	100%
Total	**12,14,00,000**	**100%**

The Equity and CCPS of SHPL are not listed on any recognised stock exchange.

2.4.2. Chaitanya India Fin Credit Private Limited

Chaitanya India Fin Credit Private Limited was incorporated in India on March 31, 2009. The registered office is located at Sunshine Tower, Level 20, Senapati Bapat Marg, Elphinstone Road, Delisle Road, Mumbai, Mumbai- 400013.

CIFCPL is registered with the Reserve Bank of India as a Middle Layer Non-Deposit taking Non-Banking Finance Company (NBFC-ND) and is engaged in the 'Micro Finance' business as an NBFC-MFI. CIFCPL is a wholly owned subsidiary of SMPL. It is engaged in the business of providing micro finance loans and personal loans to low-income individuals and households in rural/ semi-urban areas.

The authorised, issued, subscribed and paid-up share capital of CIFCPL as at the Valuation Date is as follows:

Share Capital	Amt (Rs. In Lakhs)
Authorised:	
25,35,00,000 Equity Shares of Rs. 10 each	25,350.00
1,80,00,000 preference shares of Rs. 10 each	1,800.00
Total	**27,150.00**
Issued, subscribed & paid up capital:	
15,76,66,666 equity shares of Rs. 10 each fully paid-up	15,766.67
Total	**15,766.67**

The foregoing share capital is held as follows:

Particulars	Number of Shares Held	Percentage of Shareholding
Svantantra Microfin Private Limited	15,76,66,656	99.999994%
Ananyashree Birla (Nominee of Svantantra Microfin Private Limited)	10	0.000006 %
Total	**15,76,66,666**	**100%**

The Equity Shares of CIFCPL are not listed on any recognised stock exchange.

2.4.3. Svatantra Microfin Private Limited

Svatantra Microfin Private Limited was incorporated in India on February 17, 2012. The registered office is located at 20th Floor, Sunshine Towers, Senapati Bapat Marg, Elphinstone Road (W), Mumbai - 400 013, Maharashtra.

SMPL is registered with the Reserve Bank of India as a Middle Layer Non-Deposit taking Non-Banking Finance Company (NBFC-ND) and is engaged in 'Micro Finance' business as an NBFC-MFI. SMPL is engaged in the business of providing micro finance loans and personal loans to low-income individuals and households in rural/semi-urban areas.

The authorised, issued, subscribed and paid-up share capital of SMPL as on the Valuation Date[1] is as follows:

Share Capital	Amount (Rs. In Lakhs)
Authorised	
4,75,50,00,000 Equity shares of Rs. 10/- each	4,75,500.00
53,00,00,000 5% Compulsorily Convertible Non-Cumulative Preference Shares Rs. 100/- each	5,30,000.00
Total	**10,05,500.00**
Issued, subscribed and paid-up capital:	
51,41,00,166 Equity Shares of Rs. 10 each	51,410.01

[1] The said share capital considers preferential allotment of shares to Investors approved vide board meeting dated October 31, 2024.

7,80,82,902 5% Compulsorily Convertible Non-Cumulative Preference Shares of Rs. 100/- each fully paid up	78,082.90

The foregoing share capital, on a diluted basis after considering conversion on account of CCPS, is held as follows:

Particulars	Number of Shares Held	Percentage of Shareholding
Ms. Ananyashree Birla	20,78,46,874	33.16%
Mrs. Neerja Birla	21,00,000	0.33%
IGH Holding Private Limited	21,00,001	0.34%
SHPL	13,46,11,109	21.47%
Violicina Limited	19,89,18,745	31.73%
Multiples Private Equity Fund III, IV and Gift Fund IV	8,13,09,851	12.97%
Total	**62,68,86,580**	**100.00%**

The equity share capital of SMPL, after considering a dilution on account of outstanding ESOPs is INR 629.38 Crores comprising of 62,93,80,341 equity shares of INR 10 each.

The Equity Shares and CCPS of SMPL are not listed on any recognised stock exchange.

3. Data Obtained

3.1 We have called for and obtained such data, information, etc. as were necessary for the purpose of this assignment, which have been, as far as possible, made available to us by the Management. **Appendix A** hereto broadly summarizes the data obtained.

3.2 For the purpose of this assignment, we have relied on such data summarized in the said Appendix and other related information and explanations provided to us in this regard.

BANSI S. MEHTA VALUERS LLP * REGISTERED VALUER *

4. Approach to Valuation

4.1 It is universally recognized that valuation is not an exact science and that estimating values necessarily involves selecting a method or an approach that is suitable for the purpose.

4.2 It may be noted that the Institute of Chartered Accountants of India on June 10, 2018 has issued the ICAI Valuation Standards effective for all the valuation reports issued on or after July 1, 2018. IVS are mandatory for a valuation done under the Companies Act, 2013, and recommendatory for valuation carried out under other statutes/ requirements. We have given due cognizance to the same in carrying out the valuation exercise.

4.3 For the purpose of arriving at the valuation, we have considered the valuation base as 'Fair Value'. Our valuation, and this Report, is based on the premise of 'going concern'. Any change in the valuation base, or the premise could have a significant impact on the valuation exercise, and therefore, this Report.

4.4 IVS 301 on Business Valuations deals with valuation of a business and business ownership interest (i.e., it includes valuation of shares).

4.5 IVS 301 specifies that generally, the following three approaches are used for valuation of business/business ownership interest:

- Market Approach
- Income Approach
- Cost Approach

4.6 The broad steps to derive the value per equity share of each of the Companies under the various valuation methodologies, in context of the given valuation is discussed as follows:

4.7 **Market Approach**

4.7.1 Market approach is a valuation approach that uses prices and other relevant information generated by market transactions involving identical or comparable (i.e., similar) assets, liabilities or a group of assets and liabilities.

4.7.2 The common methodologies under Market Approach are as under:

4.7.2.1 Market Price Method:

Under the Market Price Method, fair value is arrived at considering the weighted average price of traded shares over a suitable period of time. However, as mentioned earlier, the shares of SMPL, SHPL and CIFCPL are not listed on any stock exchange and therefore the Market Price Method Approach cannot be used to determine its value.

4.7.2.2 Comparable Companies Multiple Method:

4.7.2.2.1 This method involves valuing an asset based on market multiples of listed companies in similar sphere of operations as the Companies.

4.7.2.2.2 We have valued equity shares of SMPL and CIFCPL under this method considering their Profits after tax and Net Asset bases. We have considered Price to Book Multiple and PE Multiple to derive the value of SMPL and Price to Book Multiple to derive the value of CIFCPL under this method. As SHPL is a holding company, its value is based on the value of its underlying investments.

4.7.2.2.3 **Value based on PB Multiple Method**

The steps undertaken for arriving at the fair value as at the Valuation Date under the Price to Book Multiple Method are described below:

- For the purpose of this approach, we have considered the net book value of Valuation Subjects provided to us as on September 30, 2024.
- We have further reduced the net-worth by adjusting Net NPAs not provided in the books of accounts on after tax basis.
- We have calculated net book value of Comparable Companies on the same lines as the method adopted for the Valuation Subjects.
- We have considered for the Comparable Companies their market capitalization taking three months WAP till the Valuation Date.
- We have then divided the market capitalization as arrived at above by the net-worth (after adjusting for non-performing assets) of Comparable Companies as of June 30, 2024, to derive the PB multiple.
- We have then arrived at the average of the PB Multiple of Comparable Companies.
- The PB multiple as calculated above is applied to the net worth of the Valuation Subjects to arrive at the business value of the Valuation Subjects.
- The Business Value is adjusted for the expected dividend outflow on account of existing CCPS.[2]
- To arrive at the number of fully paid, issued and subscribed equity shares of SMPL, we have considered dilution on account of CCPS and ESOP granted by the Company.

BANSI S. MEHTA VALUERS LLP ★ REGISTERED VALUER ★

[2] It is understood that the record date for dividend on CCPS of SMPL is October 30, 2024. We have accordingly adjusted outflow on account of dividend in case of SMPL. Further, we understand that the dividend received on these CCPS, held by SHPL would be in turn declared as dividend to the preference shareholders of SHPL. Our working captures the adjustments on account of the same.

- The Business Value as arrived at above was discounted on account of lack of marketability and divided by the number of fully paid, issued and subscribed equity shares of Valuation Subjects on a diluted basis to arrive at the value per share as at the Valuation Date under this method.

- It may be noted that based on Management's estimate, none of the contingent liabilities are likely to crystallise as at the Valuation Date. We have therefore, not made any adjustment on this account.

4.7.2.2.4 **Value based on Price to Earnings Multiple Method**

The steps undertaken for arriving at the fair value as at the Valuation Date under the Price to Earnings Multiple Method are described below:

We have used the below steps to compute value based on PE Multiple:

- For the purpose of this approach, we have considered trailing twelve months profit before tax of Valuation Subject for the year ended September 30, 2024.

- Adjusted the above profit before tax for non-operating and non-recurring expenses/incomes to arrive at Adjusted Profit before tax.

- The amount of income tax is then reduced from the Adjusted Profit before tax as derived above to arrive at Adjusted Profit After Tax.

- Similarly, we have calculated the Market Capitalization to Profit After Tax (PE) Multiple for the Comparable Companies. We have calculated the Market Capitalization considering their market price based on weighted average price over a period of three months ended the Valuation date. Likewise, we have calculated Profit After Tax for Comparable Companies

- We have then arrived at the average of the PE Multiple of Comparable Companies.

- The Adjusted Profit After Tax computed above is then multiplied by average PE Multiple of the Comparable Companies. The value thus obtained is the Business Value of Valuation Subject as at the Valuation Date.

- The Business Value is adjusted for the value attributable to the non-performing assets and the expected dividend outflow on account of existing CCPS.[3]

BANSI S. MEHTA VALUERS LLP * REGISTERED VALUER *

[3] It is understood that the record date for dividend on CCPS of SMPL is October 30, 2024. We have accordingly adjusted outflow on account of dividend in case of SMPL. Further, we understand that the dividend received on these CCPS, held by SHPL would be in turn declared as dividend to the preference shareholders of SHPL. Our working captures the adjustments on account of the same.

- To arrive at the number of fully paid, issued and subscribed equity shares of SMPL, we have considered dilution on account of CCPS and ESOP granted by the Company.

- The Business Value as arrived at above was discounted on account of lack of marketability and divided by the number of fully paid, issued and subscribed equity shares of Valuation Subject on a diluted basis to arrive at the value per share as at the Valuation Date under this method.

- As per Management's estimate, none of the contingent liabilities are likely to crystallise as at the Valuation Date. We have therefore, not made any adjustment on this account.

4.8 **Income Approach:**

Income approach is a valuation approach that converts maintainable or future amounts (e.g., cash flows or income and expenses) to a single current (i.e., discounted or capitalised) amount. In case of lending businesses, all debt and all cash is operating. Therefore, in case of NBFCs, being SMPL and CIFCPL, effectively, only amount of cash not deployed in operations will flow into the value under DCF Method. This may therefore, in our view, not be reflective of the intrinsic value of the operations of the business. Therefore, we have not used the DCF Method to determine its value. Further, SHPL is an investment holding company. Its value is derived based on value of its underlying investments. Thus, DCF method is not used to determine its value.

4.9 **Cost Approach:**

It is a valuation approach that reflects the amount that would be required currently to replace the service capacity of an asset (often referred to as current replacement cost). IVS 301 on Business Valuations and IVS 103 on Valuation Approaches and Methods specify that common methodologies for Cost Approach are Replacement Cost Method and Reproduction Cost Method. These methods involve determining the value of the asset based on the cost that will have to be incurred to recreate/replicate the asset with substantially the same utility as that of the asset under valuation.

In case of SMPL and CIFCPL, the earning power, as reflected under the Earnings based and Market approaches, is of greater importance, with the values arrived at on the net assets basis being of limited relevance. Thus, we have not used the Cost Approach for the valuation of SMPL and CIFCPL.

For the purposes of determining the value of SHPL, we have used replacement cost approach under the Cost Approach. Our working is based on the financial statements of SHPL as on September 30, 2024. The steps undertaken for arriving at the value per share are:

- The Non-current assets of SHPL consists of Investments in mutual funds, CCPS of SMPL and equity shares of SMHFC and SMPL. The fair value of such investments have been considered for the purpose of this method. Fair Value of SMHFC is based on the value arrive at under Comparable Companies Multiple Method and Comparable Transaction Multiple Method.

BANSI S. MEHTA VALUERS LLP ★ REGISTERED VALUER ★

- The Current assets of SHPL consist of cash, current tax assets and GST receivables. The book value has been considered to be its fair value.

- The non-current liabilities include trade payables, other financial liabilities, deferred tax liabilities, and other non-current liabilities. The book value of these non-current liabilities has been deducted from the fair value of the assets.

- It is further understood from the Management of SHPL that it plans to declare dividend on existing CCPS prior to the effectiveness of the merger. Accordingly, the same has been reduced to arrive at the fair value of equity shares of SHPL.

- The net asset value so arrived is then divided by the total number of equity shares after considering dilution on account of CCPS for arriving at the value per share as at the Valuation Date.

4.10 **Price of Recent Transaction (PORT) Method**

As the name suggests, the said method is based on the price of recent transaction for the entity under valuation itself. Under this method, where there has been a recent investment, the price of such investment in the company is considered to estimate the value of the company.
In the existing case, SMPL has issued equity shares to investors on preferential basis, and the investors have acquired certain CCPS of SMPL on October 31, 2024. The average value per equity share for the said transaction is Rs 68.87. The said value per share has been considered as price of recent transaction.
SMPL has acquired CIFCPL on November 23, 2023 at a valuation of Rs 1,555.98 crores. We have considered this acquisition price as the value of CIFCPL under this method.

4.11 **Fair Value:**

- **Equity Shares of SMPL:**

  We have considered an average of the values arrived under each of the P/B Multiple Method and the PE Multiple Method to arrive at the value per equity share under CCM Method. The value per share derived under CCM and PORT Method are averaged to arrive at the fair value of SMPL.

- **Equity Shares of CIFCPL:**

  We have considered an average of the values arrived under each of the P/B Multiple Method and the PE Multiple Method to arrive at the value per equity share under CCM Method. The value per share derived under CCM and PORT Method are averaged to arrive at the fair value per equity share of CIFCPL.

- **Equity Shares of SHPL:**

  We have considered the value under Cost Approach as the fair value of SHPL.

- **CCPS of SHPL**

  Each CCPS of SHPL is convertible into 10 equity shares of SHPL. We have determined the value of CCPS proposed to be transferred, based on the value of equity shares of SHPL considering the conversion option.

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5. Valuation Conclusion

Based on the foregoing data, in our opinion the fair ratio of exchange of equity shares for the proposed amalgamation is as under:

For equity shareholders of the SHPL:

For every 52 (Fifty-Two) Equity share of face and paid-up value of Rs. 10/- (Ten) held in SHPL, 9 (Nine) Equity shares of face and paid-up value of Rs. 10/- (Ten) in SMPL.

For preference shareholders of the SHPL:

For every 52 (Fifty-Two) CCPS of face and paid-up value of Rs. 100/- (Hundred) held in SHPL, 90 (Ninety) Equity shares of face and paid-up value of Rs. 10/- (Ten) in SMPL.

For shareholders of the CIFCPL:

As CIFCPL is a wholly owned subsidiary of SMPL, Equity shares of CIFCPL would stand cancelled upon its Amalgamation into SMPL.

The computation of fair equity share exchange ratio for Merger of SHPL and CIFCPL into SMPL is tabulated below:

Particulars	SHPL(A)				SMPL(B)	
	Value per Equity Share	Weight	Value per CCPS	Weight	Value per Share	Weight
Market Approach	NA	NA	NA	NA	68.3	100%
Income Approach	NA[4]	NA	NA	NA	NA[5]	NA
Cost Approach	11.8	100%	118.2	100%	NA[6]	NA
Relative Value per share	11.8		118.2		68.3	
Exchange Ratio (rounded off) [(A)/(B)]	0.173		1.731			

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[4] Refer Para 4.8 for the rationale for not using Income Approach in case of SHPL
[5] Refer Para 4.8 for the rationale for not using Income Approach in case of SMPL
[6] Refer Para 4.9 for the rationale for not using Cost Approach in case of SMPL

6. Limitations and Disclaimers

This Report is subject to the scope of limitations detailed hereinafter.

6.1 The Report is to be read in totality and not in parts.

6.2 The valuation is based on the information furnished to us being complete and accurate in all material respect. In no event, we shall be liable for any loss, damages, cost or expenses arising from fraudulent acts, misrepresentations, or willful default on part of the companies, their directors, employee or agents.

6.3 We have relied on the written representations from the Management that the information contained in this report is materially accurate and complete in the manner of its portrayal and therefore forms a reliable basis for the valuation.

6.4 The information presented in this report does not reflect the outcome of any financial due diligence procedures. The reader is cautioned that the outcome of that process could change the information herein and, therefore, the valuation materially.

6.5 Our scope of work does not enable us to accept responsibility for the accuracy and completeness of the information provided to us. We have, therefore, not performed any audit, review or examination of any information used and therefore, we do not express any opinion with regard to the same.

6.6 We have relied on the judgment made by the Management and, accordingly, the valuation does not consider the assumption of contingent liabilities materializing (other than those specified by the Management and the Auditors). If there were any omissions, inaccuracies or misrepresentations of the information provided by the Management, then this may have the effect on the valuation computations.

6.7 The Report is meant for the specific purpose mentioned herein and should not be used for any purpose other than the purpose mentioned herein. The Report should not be copied or reproduced without obtaining our prior written approval for any purpose other than the purpose for which it is prepared. The report may be shared with the shareholders and regulatory authorities/ stock exchanges, on a need basis, for the purposes of the Proposed Amalgamation.

6.8 No investigation of the Company's claim to the title of assets has been made for the purpose of this valuation and their claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature. The report is not, nor should it be construed, as our opining or certifying the compliance with the provisions of any law including company and taxation laws or as regards any legal, accounting or taxation implications or issues.

6.9 The valuation is based on the market conditions and the regulatory environment that existed at the Valuation Date. However, changes to the same in the future could impact the companies and the industry they operate in, which may impact our valuation. Events occurring after the date hereof may affect this Report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this Report.

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6.10 We have no obligation to update this Report because of events or transactions occurring subsequent to the date of this Report. This Report, its contents and the results herein are specific to (i) the purpose of valuation agreed as per the terms of our engagement; (ii) the Valuation Date; (iii) audited financials for the year ended March 31, 2024 and audited/ limited reviewed financials for the period ended September 30, 2024 for the Valuation Subjects (iv) other information obtained by us from time to time (v) accuracy of information in public domain with respect to comparable companies including financial information. We have been informed that the business activities of the Companies have been carried out in the normal and ordinary course between September 30, 2024 and the Report date and that no material changes have occurred in their respective operations and financial position between September 30, 2024 and the Report date except the proposed payment of Dividend by SMPL and the investment in SMPL by the investors.

6.11 The Report assumes that the Companies comply fully with relevant laws and regulations applicable in all their areas of operations unless otherwise stated, and that the Companies will be managed in a competent and responsible manner. Further, as specifically stated to the contrary, this Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not disclosed in the audited/ unaudited balance sheets of the Companies, if any, provided to us.

6.12 This Report does not look into the business/ commercial reasons/economic rationale behind the proposed Scheme of Amalgamation, nor the likely benefits arising out of the same. Similarly, it does not address the relative merits of the proposed Scheme of Amalgamation as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.

6.13 The valuation analysis and result are governed by concept of materiality.

6.14 It has been assumed that the required and relevant policies and practices have been adopted by the Companies and would be continued in the future.

6.15 The fee for the engagement is not contingent upon the results reported.

6.16 We have also relied on data from external sources to conclude the valuation. These sources are believed to be reliable and therefore, we assume no liability for the truth or accuracy of any data, opinions or estimates furnished by others that have been used in this analysis. Where we have relied on data, opinions or estimates from external sources, reasonable care has been taken to ensure that such data has been correctly extracted from those sources and /or reproduced in its proper form and context.

6.17 Any person/ party intending to provide finance/ invest in the shares/ businesses of the companies/ their holding companies/ subsidiaries/ joint ventures/ associates/ investee/ group companies, if any, shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision. If any person/ party (other than the Client) chooses to place reliance upon any matters included in the Report, they shall do so at their own risk and without recourse to us.

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6.18 We have not carried out any physical verification of the assets and liabilities of the Companies and take no responsibility for the identification of such assets and liabilities.

6.19 This Report is subject to the laws of India.

6.20 Any discrepancies in any table / annexure between the total and the sums of the amounts listed are due to rounding-off.

6.21 *Disclosure Of RV Interest Or Conflict, If Any And Other Affirmative Statements*

We do not have any financial interest in the Companies, nor do we have any conflict of interest in carrying out this valuation.

FOR BANSI S. MEHTA VALUERS LLP
Registered Valuer: Securities or Financial Asset
Registration Number: IBBI/RV-E/06/2022/172

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Drushti R. Desai
IBBI Registration Number: IBBI/RV/06/2019/10666
Partner
Date: November 6, 2024
UDIN: 24102062BKEUDI3466

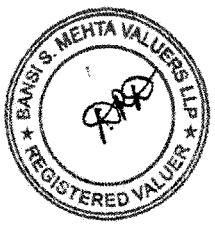
Appendix A: Broad Summary of Data Obtained

From the Management:

1. Profile of the Companies.
2. Limited Review Financial Statements of CIFCPL and SMPL for the period ended September 30, 2024
3. Audited Financial Statements of SHPL and SMHFCL for the period ended September 30, 2024
4. Audited Financial Statements of CIFCPL, SHPL and SMPL for the year ended March 31, 2024.
5. Audited Financial Statements of CIFCPL, SHPL and SMPL for the year ended March 31, 2023.
6. Audited Financial Statements of CIFCPL, SHPL and SMPL for the year ended March 31, 2022.
7. Draft Scheme of Amalgamation.
8. Shareholding details of CIFCPL, SHPL and SMPL as on the Valuation Date
9. Answers to specific questions and issues raised to the Management after examining the foregoing data

From publicly available sources :

1. Websites of BSE Limited and National Stock Exchange of India Limited
2. Data of Comparable Companies from AceTP Database



REPORT ON

RECOMMENDATION OF

FAIR RATIO OF ENTITLEMENT

FOR THE

LISTED NCD HOLDERS

OF CHAITANYA INDIA FIN CREDIT PRIVATE LIMITED

ON PROPOSED AMALGAMATION

OF

CHAITANYA INDIA FIN CREDIT PRIVATE LIMITED

AND

SVATANTRA HOLDINGS PRIVATE LIMITED

INTO

SVATANTRA MICROFIN PRIVATE LIMITED

Bansi S. Mehta Valuers LLP
Registered valuer – Securities or Financial Assets
11/13, Botawala Building, 2nd Floor,
Horniman Circle, Fort,
Mumbai – 400 020.

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1. Glossary

Abbreviation	Definition / reference to term/entity etc.
SMPL	Svatantra Microfin Private Limited
CIFCPL	Chaitanya India Fin Credit Private Limited
BSE	BSE Ltd
ICAI	Institute of Chartered Accountants of India
IVS	ICAI Valuation Standards
Managements	Management of Svatantra Microfin Private Limited and Chaitanya India Fin Credit Private Limited
NBFC	Non-Banking Finance Company
NCD Holders	NCD Holders of CIFCPL.
CIFCPL NCDs	Debentures issued by CIFCPL as specifically defined in para 2.2.1 below.
SMPL NCDs	Debentures issued by SMPL as specifically defined in para 2.2.2 below.
NCD or NCDs	Non-Convertible Debentures
Proposed Amalgamation	Proposed Amalgamation of Chaitanya India Fin Credit Private Limited and Svatantra Holdings Private Limited into Svatantra Microfin Private Limited
RBI	Reserve Bank of India
Scheme	Scheme of amalgamation of CIFCPL with SMPL under section 230-232 of Companies Act, 2013, including rules and regulations made thereunder
SEBI	Securities and Exchange Board of India
SEBI Master Circular – Debt	SEBI Circular No. SEBI/HO/DDHS/PoD1/P/CIR/2023/108 dated July 29, 2022 (updated as on 30th June, 2023), as amended from time to time [pursuant to Regulation 59A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

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2. Introduction

2.1 There is a proposal before the Boards of Directors of Svatantra Microfin Private Limited and Chaitanya India Fin Credit Private Limited, collectively referred to as the "Companies", to merge Chaitanya India Fin Credit Private Limited, being a wholly owned subsidiary of the SMPL, under a scheme of amalgamation under section 230-232 of Companies Act, 2013, including rules and regulations made thereunder. Upon the amalgamation equity shares of the CIFCPL would stand cancelled.

Further, in connection with the Proposed Amalgamation, the NCD holders of the CIFCPL will become NCD holders of the SMPL with exactly the same terms.

Considering the above, and as required pursuant to SEBI Master Circular – Debt, we have been appointed by the Managements vide engagement letter dated November 1, 2024 to recommend fair ratio of entitlement of NCDs to be vested in the SMPL for the NCD holders of the CIFCPL pursuant to the Proposed Amalgamation. This report (**"Report"**) sets out the findings of our exercise.

2.2 Brief Profile of the Companies:

2.2.1 Profile of CIFCPL

Chaitanya India Fin Credit Private Limited is incorporated under the Companies Act, 1956 with corporate identity number: U67190KA2009PTC049494 and has its registered office at Sunshine Tower, Level 20, Senapati Bapat Marg, Elphinstone Road, Delisle Road, Mumbai, Mumbai- 400013. CIFCPL is a wholly owned subsidiary of the SMPL. CIFCPL is registered with the Reserve Bank of India as a Middle Layer Non-Deposit taking Non-Banking Finance Company (NBFC-ND) and is engaged in the 'Micro Finance' business as an NBFC-MFI. CIFCPL is engaged in the business of providing micro finance loans and personal loans to low-income individuals and households in rural/ semi-urban areas.

The NCDs of CIFCPL are listed on BSE.

Shareholding pattern of CIFCPL

The Authorised, issued, subscribed and paid-up share capital of CIFCPL as at Report date is as follows:

Share Capital	Amt (Rs. In Lakhs)
Authorised	
253,500,000 Equity Shares of Rs. 10 each	25,350.00
1,80,00,000 Preference Shares of Rs. 10 each	1,800.00
Total	**27,150.00**
Issued, subscribed and paid-up	
15,76,66,666 equity shares of Rs. 10 each fully paid-up	15,766.67
Total	**15,766.67**

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The foregoing share capital is held as follows:

Particulars	Number of Shares Held	Percentage of Shareholding
Svantantra Microfin Private Limited	15,76,66,656	99.999994%
Ananyashree Birla (Nominee of Svantantra Microfin Private Limited)	10	0.000006 %
Total	**15,76,66,666**	**100%**

Non-Convertible Debentures (NCDs) of CIFCPL:

CIFCPL has issued both listed and unlisted Non-Convertible Debentures ('CIFCPL NCDs'). The outstanding amount of these NCDs as on September 30, 2024 is INR 18,895.26 Lakhs. Details of the CIFCPL NCDs are as under:

Particulars	NCD	ISIN	Redemption Amount (INR in crores)
Senior, Unsecured, Rated, Listed, Non-Convertible Debentures	NCD 1	INE140R08056	50.00
Listed, Unsecured, Subordinated, Rated, Taxable, Redeemable, Non-Convertible Debentures	NCD 2	INE140R08072	125.00
Rated, Unsecured, Taxable, Listed, Redeemable, Non-Convertible Debentures	NCD 3	INE140R08080	100.00
Rated, Listed, Senior, Secured, Redeemable, Transferable Non-Convertible Debentures	NCD 4	INE140R07181	25.00
Rated, Listed, Senior, Unsecured, Redeemable, Transferable Non-Convertible Debentures	NCD 5	INE140R08098	25.00
Rated, Unsecured, Taxable, Listed, Redeemable, Non-Convertible Debentures	NCD 6	INE140R08106	85.00
Rated, Unlisted, Senior, Secured, Redeemable, Taxable, Transferable, Non-Convertible Debentures	NCD 7	INE140R07173	50.00
Senior, Unsecured, Rated, Unlisted, Non-Convertible Debentures	NCD 8	INE140R08064	75.00

Terms of Listed CIFCPL NCDs are attached at **Appendix B**.

2.2.2 **Profile of SMPL**

Svatantra Microfin Private Limited is incorporated under the Companies Act, 1956 with corporate identity number: U74120MH2012PTC227069 and has its registered office at 20th Floor, Sunshine Tower, Senapati Bapat Marg, Elphinstone Road, Mumbai - 400 013,

Maharashtra. SMPL is a Middle Layer non-deposit taking Micro finance institution (NBFC-MFI) registered with the RBI in terms of the certificate of registration issued by the RBI. SMPL is engaged in the business of providing micro finance loans and personal loans to low-income individuals and households in rural/ semi-urban areas.

Shareholding pattern of SMPL

The Authorised, issued, subscribed and paid-up share capital of SMPL as at Report date is as follows:

Share Capital	Amount (Rs. In Lakhs)
Authorised	
4,75,50,00,000 Equity shares of Rs. 10/- each	4,75,500.00
53,00,00,000 5% Compulsorily Convertible Non-Cumulative Preference Shares Rs. 100/- each	5,30,000.00
Total	**10,05,500.00**
Issued, subscribed and paid-up	
51,41,00,166 Equity Shares of Rs. 10 each	51,410.01
7,80,82,902 5% Compulsorily Convertible Non-Cumulative Preference Shares of Rs. 100/- each fully paid up	78,082.90

The foregoing share capital, on a diluted basis, after considering conversion on account of CCPS is held as follows:

Particulars	Number of Shares Held	Percentage of Shareholding
Ms. Ananyashree Birla	20,78,46,874	33.16%
Mrs. Neerja Birla	21,00,000	0.33%
IGH Holding Private Limited	21,00,001	0.34%
SHPL	13,46,11,109	21.47%
Violicina Limited	19,89,18,745	31.73%
Multiples Private Equity Fund III, IV & Gift Fund IV	8,13,09,851	12.97%
Total	**62,68,86,580**	**100.00%**

The equity share capital of SMPL, after considering a dilution on account of outstanding ESOPs is INR 629.38 Crores comprising of 62,93,80,341 equity shares of INR 10 each.

The Equity Shares and CCPS of SMPL are not listed on any recognised stock exchange.

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Non-Convertible Debentures (NCDs) of SMPL:

SMPL has issued both listed and unlisted Non-Convertible Debentures ('SMPL NCDs'). The outstanding amount of SMPL NCDs as on September 30, 2024, is INR 41,913.63 Lakhs. Details of the SMPL NCDs are as under:

Particulars	ISIN	Redemption Amount (INR in Crores)
Rated, Subordinated, Unsecured, Dematerialised, Redeemable, Non–Convertible Debentures	INE00MX08029	15.00
Rated, Subordinated, Unsecured, Dematerialised, Redeemable, Unlisted, Non–Convertible Debentures	INE00MX08052	125.00
Rated, Subordinated, Unsecured, Unlisted, Redeemable, Non-Convertible Debentures	INE00MX08060	90.00
Rated, unlisted, unsecured, taxable, redeemable non-convertible debentures.	INE00MX08078	75.00
Rated, Subordinated, Unsecured, Unlisted, Redeemable, Non-Convertible Debentures	INE00MX08086	50.00
Rated, Unsecured, Dematerialised, Redeemable, Unlisted, Non–Convertible Debentures	INE00MX08094	100.00
Rated, Listed, Unsecured, Taxable, Redeemable, Subordinated, Transferable, Nonconvertible Debentures	INE00MX08045	60.00

Terms of Listed SMPL NCDs are attached at **Appendix C.**

3. Data obtained

3.1 We have called for and obtained such data, information, etc. as were necessary for the purpose of this assignment, which has been, as far as possible, made available to us by the Management. **Appendix A** hereto broadly summarizes the data obtained.

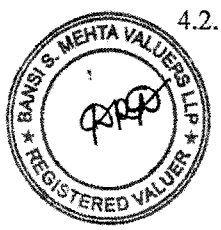
3.2 For the purpose of this assignment, we have relied on such data summarized in the said Appendix and other related information and explanations provided to us in this regard.

4. Consideration of Factors for recommendation of fair ratio of entitlement for NCDs

For the purpose of arriving at the fair ratio of entitlement for the NCDs under the Proposed Amalgamation, we have examined, considered and placed reliance on various details, data, documents, accounts, statements furnished and explanations and information given to us and have proceeded to find out the ratio on a consideration of the following factors:

4.1. The Proposed Amalgamation contemplates the amalgamation of CIFCPL with SMPL.

4.2. Pursuant to the Scheme, the NCDs of CIFCPL shall be vested to SMPL on same terms, including the coupon rate, tenure, ISIN, redemption price, quantum, and nature of security. It may be noted that these would also be listed NCDs.



4.3. Further, it is understood from the Managements that the credit ratings of existing NCDs of CIFCPL and NCDs of SMPL will be identical.

4.4. The Management has provided us with their outlook of operating and financial cashflows of the merged entity. Based on these cash flows as projected by the Management, including the incremental borrowings, we understand that the merged entity will meet the interest and repayment obligations of CIFCPL NCDs and SMPL NCDs.

4.5. In view of the above, the economic interest of the NCD holders of CIFCPL and SMPL would remain unchanged in merged SMPL.

4.6. It may be noted that the Institute of Chartered Accountants of India (ICAI) on June 10, 2018 has issued the ICAI Valuation Standards effective for all the valuation reports issued on or after July 1, 2018. However, as the current exercise does not entail valuation, the question of following the Valuation Standards does not arise.

5. Conclusion

In view of the above,

- the economic interest of the NCD holders of CIFCPL would remain unchanged in SMPL. Hence, based on the foregoing considerations and steps followed, in our opinion the fair ratio of entitlement for NCDs would be as follows:

"For every 1 (One) NCD of CIFCPL 1 (one) NCD of SMPL of equivalent face and paid-up value, coupon rate, tenure, redemption price and quantum and nature of security offered, etc."

- the economic interest of SMPL Debenture holders would not be affected pursuant to the Proposed Amalgamation.

Computation of Fair Ratio of Entitlement

	SMPL		CIFCPL	
	Value per NCD	**Weight**	**Value per NCD**	**Weight**
Asset Approach	NA	-	NA	-
Income Approach	NA	-	NA	-
Market Approach	NA	-	NA	-
Relative Value per NCD	**NA**		**NA**	
Exchange Ratio			**NA**	

NA – Not applicable

As explained above, we have not applied any of the valuation methods to arrive at value per NCD, since the NCD holders of CIFCPL would hold same instruments in SMPL and there will be no change on the value of the NCD. Hence, computation of fair /relative value per NCD is not relevant.

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6. Limitations and Disclaimers

6.1 The Report is to be read in totality and not in parts.

6.2 The valuation is based on the information furnished to us being complete and accurate in all material respect. In no event, we shall be liable for any loss, damages, cost or expenses arising from fraudulent acts, misrepresentations, or willful default on part of the companies, their directors, employee or agents.

6.3 We have relied on the written representations from the Management that the information contained in this report is materially accurate and complete in the manner of its portrayal and therefore forms a reliable basis for the valuation.

6.4 The information presented in this report does not reflect the outcome of any financial due diligence procedures. The reader is cautioned that the outcome of that process could change the information herein and, therefore, the valuation materially.

6.5 Our scope of work does not enable us to accept responsibility for the accuracy and completeness of the information provided to us. We have, therefore, not performed any audit, review or examination of any of the historical or prospective information used and therefore, we do not express any opinion with regard to the same.

6.6 The Report is meant for the specific purpose mentioned herein and should not be used for any purpose other than the purpose mentioned herein. The Report should not be copied or reproduced without obtaining our prior written approval for any purpose other than the purpose for which it is prepared. The report may be shared with the shareholders, NCD holders and regulatory authorities/stock exchanges, on a need basis, for the purposes of the Proposed Amalgamation.

6.7 No investigation of the Company's claim to the title of assets has been made for the purpose of this valuation and their claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature. The report is not, nor should it be construed, as our opining or certifying the compliance with the provisions of any law including company and taxation laws or as regards any legal, accounting or taxation implications or issues.

6.8 The valuation is based on the market conditions and the regulatory environment that existed at the Report Date. However, changes to the same in the future could impact the companies and the industry they operate in, which may impact our valuation. Events occurring after the date hereof may affect this Report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this Report.

6.9 We have no obligation to update this Report because of events or transactions occurring subsequent to the date of this Report.

6.10 This Report, its contents and the results herein are specific to (i) the purpose of valuation agreed as per the terms of our engagement; (ii) the Report Date; (iii) audited financials for the year ended March 31, 2024 and limited reviewed financials for the period ended September 30, 2024 for

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CIFCPL and SMPL (iv) other information obtained by us from time to time (v) accuracy of information in public domain with respect to comparable companies including financial information. We have been informed that the business activities of the Companies have been carried out in the normal and ordinary course between September 30, 2024 and the Report date and that no material changes have occurred in their respective operations and financial position between September 30, 2024 and the Report date.

6.11 The Report assumes that the Companies comply fully with relevant laws and regulations applicable in all their areas of operations unless otherwise stated, and that the Companies will be managed in a competent and responsible manner. Further, as specifically stated to the contrary, this Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not disclosed in the audited/ unaudited balance sheets of the Companies, if any, provided to us.

6.12 This Report does not look into the business/ commercial reasons/economic rationale behind the proposed Scheme of Arrangement, nor the likely benefits arising out of the same. Similarly, it does not address the relative merits of the proposed Scheme of Arrangement as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.

6.13 The valuation analysis and result are governed by concept of materiality.

6.14 It has been assumed that the required and relevant policies and practices have been adopted by the Companies and would be continued in the future.

6.15 The fee for the engagement is not contingent upon the results reported.

6.16 We have also relied on data from external sources to conclude the valuation. These sources are believed to be reliable and therefore, we assume no liability for the truth or accuracy of any data, opinions or estimates furnished by others that have been used in this analysis. Where we have relied on data, opinions or estimates from external sources, reasonable care has been taken to ensure that such data has been correctly extracted from those sources and /or reproduced in its proper form and context.

6.17 Any person/ party intending to provide finance/ invest in the shares/ businesses of the companies/ their Holdco companies/ subsidiaries/ joint ventures/ associates/ investee/ group companies, if any, shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision. If any person/ party (other than the Client) chooses to place reliance upon any matters included in the Report, they shall do so at their own risk and without recourse to us.

6.18 We have not carried out any physical verification of the assets and liabilities of the Companies and take no responsibility for the identification of such assets and liabilities.

6.19 This Report is subject to the laws of India.

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6.20 In addition, this Report does not in any manner address the price at which securities of SMPL shall trade following announcement of the proposed Transaction and we express no opinion or recommendation as to how the shareholders of either of the Companies should vote at any shareholders' meeting(s) to be held in connection with the proposed Arrangement. Our Report and opinion/ valuation analysis contained herein is not to be construed as advice relating to investing in, purchasing, selling or otherwise dealing in securities.

6.21 Any discrepancies in any table / annexure between the total and the sums of the amounts listed are due to rounding-off.

6.22 *Disclosure Of RV Interest or Conflict, If Any And Other Affirmative Statements*

We do not have any financial interest in the Companies, nor do we have any conflict of interest in carrying out this valuation.

For **Bansi S. Mehta Valuers LLP**
Registered Valuer
IBBI Registration Number: IBBI/RV–E/06/2022/172

BANSI S. MEHTA VALUERS LLP * REGISTERED VALUER *

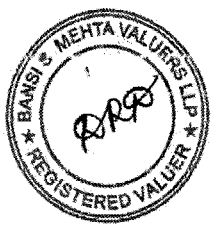
DRUSHTI DESAI
IBBI Registration Number: IBBI/RV/06/2019/10666
Partner

Date: November 6, 2024
UDIN: 24102006BKEUDH9341

Appendix A: Broad Summary Of Data Obtained

From the Managements:

1. Credit rating report of existing NCDs of CIFCPL and SMPL
2. Terms of existing NCDs of CIFCPL and SMPL
3. Audited Financial Statements of CIFCPL and SMPL for the year ended March 31, 2024.
4. Limited Review Financial Statements of CIFCPL and SMPL for the period ended September 30, 2024.
5. Draft Scheme of Arrangement for the Proposed Amalgamation.
6. Shareholding details of CIFCPL and SMPL as on the Valuation Date
7. Projected Profit & Loss and Balance Sheet for years to end FY 2024-25 to FY 2026-27
8. Other relevant information
9. Answers to specific questions and issues raised by us after examining the foregoing data



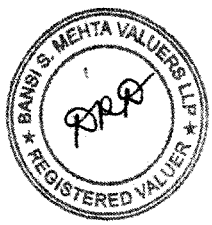
Appendix B: Terms of Listed CIFCPL NCDs

	NCD 1	NCD 2	NCD 3
ISIN	INE140R08056	INE140R08072	INE140R08080
Security Name	Senior, Unsecured, Rated, Listed, Non-Convertible Debentures	Listed, Unsecured, Subordinated, Rated, Taxable, Redeemable, Non-Convertible Debentures	Rated, Unsecured, Taxable, Listed, Redeemable, Non-Convertible Debentures
Face Value (INR)	10,00,000	1,00,000	1,00,000
Dividend / Coupon	Coupon	Coupon	Coupon
Coupon Rate and payment frequency	12.83% and half yearly	12.40% and monthly	10.55% and monthly
Credit Rating	India ratings A	India ratings A	CRISL A
Tenure / Maturity	4 Years 2 Months	5 Years 3 Months	3 Years 2 Days
The terms of redemption	Interest is payable on a half – yearly basis and principal is payable on maturity date. No call or put option has been agreed upon.	Interest is payable on a monthly basis and principal is payable on maturity date. No call or put option has been agreed upon.	Interest is payable on a monthly basis and principal is payable on maturity date. No call or put option has been agreed upon.
Amount of redemption (per debenture)	INR 10,00,000 (Indian Rupees Ten Lakhs Only)	INR 1,00,000 (Indian Rupees One Lakhs Only)	INR 1,00,000 (Indian Rupees One Lakhs Only)
Date of redemption	September 28, 2026	May 21, 2028	September 30, 2026
Redemption premium/ discount	NA	NA	NA
Early redemption scenarios, if any	Call & Put option is available	NA	NA
Other embedded features (put option, call option, dates, notification times, etc.)	Call option and Put option is available	NA	NA
Name of debenture trustee	Catalyst Trusteeship Limited	Catalyst Trusteeship Limited	Catalyst Trusteeship Limited

	NCD 4	NCD 5	NCD 6
ISIN	INE140R07181	INE140R08098	INE140R08106
Security Name	Rated, Listed, Senior, Secured, Redeemable, Transferable Non-Convertible Debentures	Rated, Listed, Senior, Unsecured, Redeemable, Transferable Non-Convertible Debentures	Rated, Unsecured, Taxable, Listed, Redeemable, Non-Convertible Debentures
Face Value (INR)	1,00,000	1,00,000	1,00,000
Dividend / Coupon	Coupon	Coupon	Coupon
Coupon Rate and payment frequency	10.10% and monthly	10.45% and monthly	9.75% and monthly
Credit Rating	CRISL A	CRISL A	CRISL A
Tenure / Maturity	3 Years	1 Year 6 Months	24 Months

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The terms of redemption	Interest is payable on a monthly basis and principal is payable on a half-yearly basis. No call or put option has been agreed upon.	Interest is payable on a monthly basis and principal is payable as per schedule in terms agreed. No call or put option has been agreed upon.	Interest is payable on a monthly basis and principal is payable on maturity date. No call or put option has been agreed upon.
Amount of redemption (per debenture)	INR 1,00,000 (Indian Rupees One Lakhs Only)	INR 1,00,000 (Indian Rupees One Lakhs Only)	INR 1,00,000 (Indian Rupees One Lakhs Only)
Date of redemption	October 10, 2026	April 17, 2025	November 10, 2025
Redemption premium/ discount	NA	NA	NA
Early redemption scenarios, if any	NA	NA	NA
Other embedded features (put option, call option, dates, notification times, etc.)	NA	NA	NA
Name of debenture trustee	Catalyst Trusteeship Limited	Catalyst Trusteeship Limited	Catalyst Trusteeship Limited



Appendix C: Terms of Listed SMPL NCDs

	NCD 1
ISIN	INE00MX08045
Security Name	Rated, Listed, Unsecured, Taxable, Redeemable, Subordinated, Transferable, Nonconvertible Debentures
Face Value (INR)	10,00,000
Dividend / Coupon	Coupon
Coupon Rate and payment frequency	12.90% and yearly
Credit Rating	Crisil AA-
Tenure / Maturity	5 Years 6 Months
The terms of redemption	Interest is payable on a yearly basis and principal is payable as on maturity. No call or put option has been agreed upon.
Amount of redemption (per debenture)	INR 10,00,000 (Indian Rupees Ten Lakhs Only)
Date of redemption	September 30, 2026
Redemption premium/ discount	NA
Early redemption scenarios, if any	NA
Other embedded features (put option, call option, dates, notification times, etc.)	NA
Name of debenture trustee	Catalyst Trusteeship Limited

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November 06, 2024

To, The Board of Directors, Svatantra Microfin Private Limited, Sunshine Tower, Level 20, Senapati Bapat Marg, Dadar West, Mumbai - 400 013	To, The Board of Directors, Svatantra Holdings Private Limited, 213, 2nd Floor, T.V. Industrial Estate, 52, S.K.Ahire Marg, Worli, Mumbai 400030	To, The Board of Directors, Chaitanya India Fin Credit Private Limited, Sunshine Tower, Level 20, Senapati Bapat Marg, Elphinstone Road, Delisle Road, Mumbai-400013

Dear Sirs,

Sub: Fairness Opinion on the share exchange ratio for merger of Svatantra Holdings Private Limited and Chaitanya India Fin Credit Private Limited into Svatantra Microfin Private Limited

There is a proposal before the Board of Directors of Svatantra Microfin Private Limited ("Transferee Company" or "SMPL"), Svatantra Holdings Private Limited ("First Transferor Company or "SHPL") and Chaitanya India Fin Credit Private Limited ("Second Transferor Company" or "CIFCPL") to merge SHPL and CIFCPL with SMPL, under a scheme of arrangement under sections 230-232 of Companies Act, 2013, including the rules and regulations made thereunder (hereinafter referred to as the "Scheme"). The said transaction is referred to as the "Proposed Amalgamation".

SHPL, CIFCPL and SMPL are collectively referred to as "Companies".

The Management of the Companies ("the Management") vide engagement letter dated November 01, 2024 ("Engagement Letter") have engaged Inga Ventures Private Limited ("Inga"), to provide a fairness opinion to the Board of Directors of the Companies on the share exchange ratio of merger of SHPL & CIFCPL into SMPL as recommended by the Valuer, viz. Bansi S. Mehta Valuers LLP, Registered Valuer ("BSM" or "Valuer") under their report issued dated November 06, 2024 ("Valuation Report").

Background and Purpose

Profile of Svatantra Holdings Private Limited

Svantantra Holdings Private Limited was incorporated on May 11, 2018 under the Companies Act, 2013 and registered at Registrar of Companies, Mumbai, Maharashtra. SHPL has its registered office at 213, Second Floor, TV Industrial Estate, 52, SK Ahire Marg, Worli, Mumbai – 400030.
SHPL is an unregistered Core Investment Company in terms of Core Investment Companies (Reserve Bank) Directions, 2016, issued by the RBI on August 25, 2016. SHPL is engaged in the business of making investments in equity shares, preference shares and other securities.

Profile of Chaitanya India Fin Credit Private Limited

Chaitanya India Fin Credit Private Limited was incorporated in India on March 31, 2009. The registered office is located at Sunshine Tower, Level 20, Senapati Bapat Marg, Elphinstone Road, Delisle Road, Mumbai, Mumbai- 400013.

INGA VENTURES PRIVATE LIMITED

Inga Ventures Pvt. Ltd. 1229 | Solaris One | N. S. Phadke Marg | Opp. Telli Galli | Andheri (E) | Mumbai - 400 069, India
Tel: +91-22-69886000 | Fax: +91-22-69886020 | Website: www.ingaventures.com
CIN : U67100MH2018PTC318359

CIFCPL is registered with the Reserve Bank of India as a Middle Layer Non-Deposit taking Non-Banking Finance Company (NBFC-ND) and is engaged in the 'Micro Finance' business as an NBFC-MFI. CIFCPL is a wholly owned subsidiary of SMPL. It is engaged in the business of providing micro finance loans and personal loans to low-income individuals and households in rural/ semi-urban areas.
The NCDs of CIFCPL are listed on BSE.

Profile of Svantanta Microfin Private Limited

Svatantra Microfin Private Limited was incorporated in India on February 17, 2012. The registered office is located at 20th Floor, Sunshine Towers, Senapati Bapat Marg, Elphinstone Road (W), Mumbai - 400 013, Maharashtra.

SMPL is registered with the Reserve Bank of India as a Middle Layer Non-Deposit taking Non-Banking Finance Company (NBFC-ND) and is engaged in 'Micro Finance' business as an NBFC-MFI. SMPL is engaged in the business of providing micro finance loans and personal loans to low-income individuals and households in rural/semi-urban areas.

The proposal also envisages, inter alia, amalgamation of SHPL and CIFCPL into SMPL, whereby:

1. equity shares of SMPL to be issued to shareholders of SHPL; and
2. CIFCPL being a wholly owned subsidiary of SMPL, upon its amalgamation with SMPL equity shares of CIFCPL would stand cancelled.

The Valuer has arrived at share exchange ratio for merger as follows:

For equity shareholders of the SHPL:

For every 52 (Fifty-Two) equity shares of face and paid-up value of Rs 10/- (ten) each held in SHPL, 9 (Nine) equity shares of face and paid-up value of Rs. 10/- (ten) each of SMPL

For preference shareholders of the SHPL:

For every 52 (Fifty-Two) CCPS of face and paid-up value of Rs. 100/- (Hundred) held in SHPL, 90 (Ninety) Equity shares of face and paid-up value of Rs. 10/- (Ten) in SMPL

For shareholders of the CIFCPL:

As CIFCPL is a wholly owned subsidiary of SMPL, equity shares of CIFCPL would stand cancelled upon its amalgamation into SMPL.

The Companies in terms of the Engagement Letter have requested us to issue our independent opinion as to the fairness of the share exchange ratio recommended by the Valuer ("Fairness Opinion").

Source of Information

For arriving at the opinion set forth below, we have received from the Management and any information available in the public domain:

1. Valuation Report issued by the Valuer.
2. Draft Scheme of Amalgamation.
3. Profile of the Companies.

4. Audited Financial Statements of CIFCPL, SHPL and SMPL for the period ended September 30, 2024.
5. Audited Financial Statements of CIFCPL, SHPL and SMPL for the year ended March 31, 2023 and March 31, 2024.
6. Latest Shareholding details of CIFCPL, SHPL and SMPL as on November 06, 2024.
7. Other relevant information and documents for the purpose of this engagement.
8. Other relevant details regarding the Companies such as their history, past and present activities, future plans and prospects, existing shareholding pattern and other relevant information and data, including information in the public domain.
9. Such other information and explanations as required and which have been provided by the Management including Management Representations.
10. Such other information received during discussion with the Valuer.

Scope Limitations

We have assumed and relied upon, without independent verification, the accuracy and completeness of all information that was publicly available or provided or otherwise made available to us by the Companies for the purposes of this Fairness Opinion. We express no opinion, and accordingly, accept no responsibility with respect to or for such information, or the assumptions on which it is based, and, we have simply accepted this information on an "as is" basis, and, have not verified the accuracy and/or the completeness of the same from our end.

We have not assumed any obligation to conduct, nor have we conducted any physical inspection or title verification of the properties or facilities of the Companies and its related parties (holding company / subsidiary /associates /joint ventures etc.) and neither express any opinion with respect thereto nor accept any responsibility therefore. We have not made any independent valuation or appraisal of the assets or liabilities of the Companies and other related entities which forms part of the group.

We have not reviewed any internal management information statements or any non-public reports, and instead, with your consent, have relied upon information that was publicly available or provided or otherwise made available to us by the Companies on an "as is" basis for the purposes of this Fairness Opinion. We are not experts in the evaluation of litigation or other actual or threatened claims, and accordingly, we have not evaluated any litigation or other actual or threatened claims.

We have assumed that there are no circumstances that could materially affect the business or financial prospects of the Companies and other related entities which forms part of the group.

We understand that the Management, during our discussion with them, would have drawn our attention to all such information and matters which may have an impact on our analysis and opinion. We have assumed that in the course of obtaining any and all necessary regulatory or other consents, no restrictions will be imposed or there will be no delays that will have a material adverse effect on the Scheme. Our opinion is necessarily based on financial, economic, market and other conditions as they currently exist and on the information made available to us as of the date hereof. It should be understood that although subsequent developments may affect this opinion, we do not have an obligation to update, revise or reaffirm this opinion. In arriving at our opinion, we were not authorized to solicit, and did not solicit, interest from any party with respect to the acquisition, business combination or other extraordinary transaction involving the Companies, other related entities which forms part of the group or any of its assets, nor did we negotiate with any other party in this regard.

We express no opinion whatsoever and make no recommendation at all as to the Companies underlying decision to effect the Proposed Amalgamation. The fee for the engagement is not

contingent upon the results reported. We also do not provide any recommendation to the holders of equity shares or preference shares or secured or unsecured creditors of the Companies with respect to the Proposed Amalgamation. We also express no opinion, and accordingly, accept no responsibility for the financial performance of Companies following the consummation of the Proposed Amalgamation. We express no opinion whatsoever and make no recommendations at all (and accordingly take no responsibility) as to whether shareholders / investors should buy, sell or hold any stake in the Companies or any of its related parties.

Our report is not, nor should it be construed as opining or certifying the compliance of the proposed transaction with the provisions of any law including companies, competition, taxation (including transfer pricing) and capital market related laws or as regards any legal implications or issues arising in India or abroad from such Proposed Amalgamation.

Conclusion

As understood, upon the Scheme being effective, shareholders of SHPL will become shareholders of SMPL and the outstanding issued and paid up share capital of CIFCPL will get cancelled.

Based on our examination of the Valuation Report, such other information / undertakings/representations provided to us by the management of the Companies and our independent analysis and evaluation of such information and subject to the scope limitations as mentioned hereinabove and to the best of our knowledge and belief, we are of the opinion that the recommendation made by the Valuer of the share exchange ratio is fair and reasonable which is as under:

The share exchange ratio for the Proposed Amalgamation of SHPL and CIFCPL into SMPL is as under:

For equity shareholders of the SHPL:

For every 52 (Fifty-Two) equity shares of face and paid-up value of Rs 10/- (ten) each held in SHPL, 9 (Nine) equity shares of face and paid-up value of Rs. 10/- (ten) each of SMPL.

For preference shareholders of the SHPL:

For every 52 (Fifty-Two) CCPS of face and paid-up value of Rs. 100/- (Hundred) held in SHPL, 90 (Ninety) Equity shares of face and paid-up value of Rs. 10/- (Ten) in SMPL.

For shareholders of the CIFCPL:

As CIFCPL is a wholly owned subsidiary of SMPL, equity shares of CIFCPL would stand cancelled upon its amalgamation into SMPL.

Distribution of the Fairness Opinion

This Fairness Opinion is provided solely for the benefit of the Board of Directors of the Companies. Further, the Fairness Opinion may be disclosed on the website of the Companies and Stock Exchange and also be made part of the explanatory statement to be circulated to the shareholders and/or creditors and/ or debenture holders of the Companies, if required. The Fairness Opinion shall not otherwise be disclosed or referred to publicly or to any other third party without Inga's prior written consent.

However, the Companies may share the Fairness Opinion with the shareholders and/or creditors and/ or debenture holders and regulatory authorities/ stock exchanges, on a need basis, for the purposes of the Proposed Amalgamation. The Fairness Opinion should be read in totality and not in parts. Further, this Fairness Opinion should not be used or quoted for any purpose other than the purpose mentioned hereinabove. If this Fairness Opinion is used by any person other than to whom it is addressed or for any purpose other than the purpose stated hereinabove, then, we will not be liable for any consequences thereof and shall not take any responsibility for the same. Neither this Fairness Opinion nor its contents may be referred to or quoted to / by any third party, in any registration statement, prospectus, offering memorandum, annual report, loan agreement or any other agreement or documents given to third parties.

In no circumstances however, will Inga or its management, directors, officers, employees, agents, advisors, representatives and controlling persons of Inga accept any responsibility or liability including any pecuniary or financial liability to any third party.

Yours truly,

For **Inga Ventures Private Limited**

Kavita Shah

Partner

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November 06, 2024

To,
The Board of Directors,
Svatantra Microfin Private Limited,
Sunshine Tower, Level 20,
Senapati Bapat Marg,
Dadar West,
Mumbai - 400 013

To,
The Board of Directors,
Chaitanya India Fin Credit Private Limited,
Sunshine Tower, Level 20,
Senapati Bapat Marg,
Elphinstone Road, Delisle Road,
Mumbai- 400013

Dear Sirs,

Sub: Fairness Opinion on the entitlement ratio for the listed NCD holders on account of merger of Svatantra Holdings Private Limited and Chaitanya India Fin Credit Private Limited into Svatantra Microfin Private Limited

There is a proposal before the Board of Directors of Svatantra Microfin Private Limited ("Transferee Company" or "SMPL"), Svatantra Holdings Private Limited ("First Transferor Company or "SHPL") and Chaitanya India Fin Credit Private Limited ("Second Transferor Company" or "CIFCPL") to merge SHPL and CIFCPL with SMPL, under a scheme of arrangement under sections 230-232 of Companies Act, 2013, including the rules and regulations made thereunder (hereinafter referred to as the "Scheme"). The said transaction is referred to as the "Proposed Amalgamation". Upon amalgamation equity shares of CIFCPL would stand cancelled.

CIFCPL and SMPL are collectively referred to as the "Companies".

Further, in connection with the Proposed Amalgamation, the NCD holders of the CIFCPL will become NCD holders of the SMPL with exactly the same terms.

The Management of the Companies ("the Management") vide engagement letter dated November 01, 2024 ("Engagement Letter") have engaged Inga Ventures Private Limited ("Inga"), to provide a fairness opinion to the Board of Directors of the Companies on entitlement ratio for the listed NCD holders of CIFCPL pursuant to the Proposed Amalgamation as recommended by the Valuer, viz. Bansi S. Mehta Valuers LLP, Registered Valuer ("BSM" or "Valuer") under their report issued dated November 06, 2024 ("Valuation Report").

Background and Purpose

Profile of Svatantra Holdings Private Limited

Svantantra Holdings Private Limited was incorporated on May 11, 2018 under the Companies Act, 2013 and registered at Registrar of Companies, Mumbai, Maharashtra. SHPL has its registered office at 213, Second Floor, TV Industrial Estate, 52, SK Ahire Marg, Worli, Mumbai – 400030.
SHPL is an unregistered Core Investment Company in terms of Core Investment Companies (Reserve Bank) Directions, 2016, issued by the RBI on August 25, 2016. SHPL is engaged in the business of making investments in equity shares, preference shares and other securities.

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CIN : U67100MH2018PTC318359

Profile of Chaitanya India Fin Credit Private Limited

Chaitanya India Fin Credit Private Limited was incorporated in India on March 31, 2009. The registered office is located at Sunshine Tower, Level 20, Senapati Bapat Marg, Elphinstone Road, Delisle Road, Mumbai, Mumbai- 400013.
CIFCPL is registered with the Reserve Bank of India as a Middle Layer Non-Deposit taking Non-Banking Finance Company (NBFC-ND) and is engaged in the 'Micro Finance' business as an NBFC-MFI. CIFCPL is a wholly owned subsidiary of SMPL. It is engaged in the business of providing micro finance loans and personal loans to low-income individuals and households in rural/ semi-urban areas.
The NCDs of CIFCPL are listed on BSE.

Profile of Svantanta Microfin Private Limited

Svatantra Microfin Private Limited was incorporated in India on February 17, 2012. The registered office is located at 20th Floor, Sunshine Towers, Senapati Bapat Marg, Elphinstone Road (W), Mumbai - 400 013, Maharashtra.

SMPL is registered with the Reserve Bank of India as a Middle Layer Non-Deposit taking Non-Banking Finance Company (NBFC-ND) and is engaged in 'Micro Finance' business as an NBFC-MFI. SMPL is engaged in the business of providing micro finance loans and personal loans to low-income individuals and households in rural/semi-urban areas.

The proposal also envisages, inter alia, amalgamation of SHPL and CIFCPL into SMPL, whereby equity shares of SMPL to be issued to shareholders of SHPL and CIFCPL being a wholly owned subsidiary of SMPL, upon its amalgamation with SMPL equity shares of CIFCPL would stand cancelled.

Also the Scheme proposes transfer of NCDs of CIFCPL to SMPL whereby the NCD holders of CIFCPL will become NCD holders of SMPL with the same terms and conditions.

The Valuer has arrived at entitlement ratio for NCD holders of CIFCPL as follows:

For NCD holders of the CIFCPL:

For every 1 (One) NCD of CIFCPL 1 (one) NCD of SMPL of equivalent face and paid-up value, coupon rate, tenure, redemption price and quantum and nature of security offered, etc..

The Companies in terms of the Engagement Letter have requested us to issue our independent opinion as to the fairness of the entitlement ratio recommended by the Valuer for the NCD holders of CIFCPL ("Fairness Opinion").

Source of Information

For arriving at the opinion set forth below, we have received from the Management and any information available in the public domain:

1. Valuation Report issued by the Valuer.
2. Draft Scheme of Amalgamation.
3. Profile of the Companies.
4. Audited Financial Statements of CIFCPL and SMPL for the period ended September 30, 2024.
5. Audited Financial Statements of CIFCPL and SMPL for the year ended March 31, 2023 and March 31, 2024.

6. Credit rating report & terms of existing NCDs of CIFCPL and SMPL.
7. Other relevant information and documents for the purpose of this engagement.
8. Other relevant details regarding the Companies such as their history, past and present activities, future plans and prospects, existing shareholding pattern and other relevant information and data, including information in the public domain;
9. Such other information and explanations as required and which have been provided by the Management including Management Representations.
10. Such other Information received during discussion with the Valuer.

Scope Limitations

We have assumed and relied upon, without independent verification, the accuracy and completeness of all information that was publicly available or provided or otherwise made available to us by the Companies for the purposes of this Fairness Opinion. We express no opinion, and accordingly, accept no responsibility with respect to or for such information, or the assumptions on which it is based, and, we have simply accepted this information on an "as is" basis, and, have not verified the accuracy and/or the completeness of the same from our end.

We have not assumed any obligation to conduct, nor have we conducted any physical inspection or title verification of the properties or facilities of the Companies and its related parties (holding company / subsidiary /associates /joint ventures etc.) and neither express any opinion with respect thereto nor accept any responsibility therefore. We have not made any independent valuation or appraisal of the assets or liabilities of the Companies and other related entities which forms part of the group.

We have not reviewed any internal management information statements or any non-public reports, and instead, with your consent, have relied upon information that was publicly available or provided or otherwise made available to us by the Companies on an "as is" basis for the purposes of this Fairness Opinion. We are not experts in the evaluation of litigation or other actual or threatened claims, and accordingly, we have not evaluated any litigation or other actual or threatened claims.

We have assumed that there are no circumstances that could materially affect the business or financial prospects of the Companies and other related entities which forms part of the group.

We understand that the Management, during our discussion with them, would have drawn our attention to all such information and matters which may have an impact on our analysis and opinion. We have assumed that in the course of obtaining any and all necessary regulatory or other consents, no restrictions will be imposed or there will be no delays that will have a material adverse effect on the Scheme. Our opinion is necessarily based on financial, economic, market and other conditions as they currently exist and on the information made available to us as of the date hereof. It should be understood that although subsequent developments may affect this opinion, we do not have an obligation to update, revise or reaffirm this opinion. In arriving at our opinion, we were not authorized to solicit, and did not solicit, interest from any party with respect to the acquisition, business combination or other extraordinary transaction involving the Companies, other related entities which forms part of the group or any of its assets, nor did we negotiate with any other party in this regard.

We express no opinion whatsoever and make no recommendation at all as to the Companies underlying decision to effect the Proposed Amalgamation. The fee for the engagement is not contingent upon the results reported. We also do not provide any recommendation to the holders of equity shares or preference shares or secured or unsecured creditors of the Companies with respect to the Proposed Amalgamation. We also express no opinion, and accordingly, accept no responsibility for the financial performance of Companies following the consummation of the Proposed

Amalgamation. We express no opinion whatsoever and make no recommendations at all (and accordingly take no responsibility) as to whether shareholders / investors should buy, sell or hold any stake in the Companies or any of its related parties.

Our report is not, nor should it be construed as opining or certifying the compliance of the proposed transaction with the provisions of any law including companies, competition, taxation (including transfer pricing) and capital market related laws or as regards any legal implications or issues arising in India or abroad from such Proposed Amalgamation.

Conclusion

Consideration of factors for opining on the entitlement ratio for NCD holders of CIFCPL:

- The Proposed Amalgamation contemplates the amalgamation of CIFCPL with SMPL.
- Pursuant to the Scheme, the NCDs of CIFCPL shall be vested into SMPL on same terms, including the coupon rate, tenure, ISIN, redemption price, quantum, and nature of security. It may be noted that these would also be listed NCDs.
- Further, it is understood from the managements of CIFCPL and SMPL that the credit ratings of existing NCDs of the CIFCPL and the NCDs issued by SMPL will be identical.
- The management of SMPL has provided us with their outlook of operating and financial cashflows of the merged entity. Based on these cash flows as projected by the management of SMPL, including the incremental borrowings, it is understood that the merged entity will meet the interest and repayment obligations of NCDs issued by CIFCPL which will transfer and vest into merged entity upon Proposed Amalgamation.
- In view of the above, the economic interest of the NCD holders of CIFCPL would remain unchanged in SMPL.

Hence, based on the foregoing considerations, in accordance with Regulation 59A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the relevant SEBI Master Circulars thereto, examination of the Valuation Report, such other information / undertakings / representations provided to us by the management of the Companies and our independent analysis and evaluation of such information and subject to the scope limitations as mentioned hereinabove and to the best of our knowledge and belief, we are of the opinion that the recommendation made by the Valuer with respect to the entitlement ratio for NCD holders of CIFCPL is fair and reasonable and is as follows:

"For every 1 (One) NCD of CIFCPL 1 (one) NCD of SMPL of equivalent face and paid-up value, coupon rate, tenure, redemption price and quantum and nature of security offered, etc.

Distribution of the Fairness Opinion

This Fairness Opinion is provided solely for the benefit of the Board of Directors of the Companies and is for the purpose of submission to the Stock Exchanges and SEBI. Further, the Fairness Opinion may be disclosed on the website of the Companies and the Stock Exchanges and also be made part of the explanatory statement to be circulated to the shareholders and/or creditors and/ or debenture holders of the Companies, if required. The Fairness Opinion shall not otherwise be disclosed or referred to publicly or to any other third party without Inga's prior written consent.

However, the Companies may share this Fairness Opinion with the shareholders and/or creditors and/ or debenture holders and regulatory authorities/ stock exchanges, on a need basis, for the purposes

of the Proposed Amalgamation. The Fairness Opinion should be read in totality and not in parts. Further, this Fairness Opinion should not be used or quoted for any purpose other than the purpose mentioned hereinabove. If this Fairness Opinion is used by any person other than to whom it is addressed or for any purpose other than the purpose stated hereinabove, then, we will not be liable for any consequences thereof and shall not take any responsibility for the same. Neither this Fairness Opinion nor its contents may be referred to or quoted to / by any third party, in any registration statement, prospectus, offering memorandum, annual report, loan agreement or any other agreement or documents given to third parties.

In no circumstances however, will Inga or its management, directors, officers, employees, agents, advisors, representatives and controlling persons of Inga accept any responsibility or liability including any pecuniary or financial liability to any third party.

Yours truly,

For **Inga Ventures Private Limited**



Kavita Shah

Partner

JMT & associates
CHARTERED ACCOUNTANTS
301 & 305, A - Wing, Winsway Complex, Old Police Lane,
Opp. Andheri Rly. Stn., Andheri (East), Mumbai - 400 069
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INDEPENDENT AUDITORS' REPORT

TO MEMBERS OF
SVATANTRA HOLDINGS PRIVATE LIMITED

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **SVATANTRA HOLDINGS PRIVATE LIMITED** ("the Holding Company") and its one Subsidiary Company and its one Associate Company (together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2025, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements including a summary of significant 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, 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 rind AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2025, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows 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) 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 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 obtained by us and other auditors in terms of their reports referred to in ·Other Matters" paragraph below, 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 period. 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. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of subsidiary company not audited by us, as reported by them in their audit reports furnished to us by the management, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Sr. No.	Key Audit Matter	How the matter was addressed in our audit
1	***Measurement of Investments in Principal Audit Procedures accordance with Ind AS 109 "Financial Instruments"*** On initial recognition, Investments are recognized at fair value, in case of Investments which are recognised at fair value through profit and loss (FVTPL), its transaction cost is recognised in the statement of profit and loss. In other cases, the transaction costs are attributed to the acquisition value of the investments. The Group's investments are subsequently classified into following categories based the objective of its business model to manage the cash flows and options available in the standard: • Debt instruments at fair value through profit or loss (FVTPL) • Equity instruments measured at fair value through other comprehensive income FVTOCI. • Compulsorily non-cumulative convertible preference shares measured at fair value through other comprehensive income FVTOCI Since valuation of investments at fair value involves critical assumptions, significant risk in valuation, the valuation of investments as per Ind AS 109 is determined to be a key audit matter in our audit of the consolidated financial statements. Refer note 2.f, 6 and 41 to the Consolidated financial statements.	• Obtained an understanding of the determination of the measurement of the investments and tested the reasonableness of the significant judgements applied by the management; • Evaluated the design of internal controls relating to the measurement and also tested the operating effectiveness of the aforesaid controls; • Obtained valuation certificate of independent valuer in respect of fair value investments; • Ensured that the Group has used valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs; • Assessed the appropriateness of the disclosure in the Consolidated financial statements in accordance with the applicable financial reporting framework.



2	***Impairment of loans*** Recognition and measurement of impairment of loans and advances involve significant management judgement. Under Ind AS 109, Financial Instruments, allowance for loan • losses is determined using Expected Credit loss (ECL) estimation model. The estimation of ECL on financial instruments involves significant judgement and estimates. The key areas where we identified greater levels of management judgement and therefore increased levels of audit focus in the Group's estimation of ECL are: • Timely identification and classification of the impaired loans, including classification of assets to stage 1, 2, or 3 using criteria in accordance with Ind AS 109 which also include considering the impact of RBI's regulatory circulars. • The segmentation of financial assets when their ECL is assessed on a collective basis. • Inherently judgmental models are used to estimate ECL which involves determining probabilities of default ("PD"), loss given Default ("LGD"), and Exposures at Default ("EAD") based on the default history of loans, subsequent recoveries made and other relevant factors. The PD and the LGD are the key drivers of estimation complexity in the ECL and as a result these are considered as the most significant judgmental aspect of the Group's modelling approach. • Economic scenarios, Ind AS 109 requires - the Group to measure ECL on an unbiased forward-looking basis reflecting a range of future economic conditions. Significant management judgement is applied in determining the economic scenarios used and the probability weights applied to them; and	• Understanding management's processes, systems and controls implemented in relation to impairment allowance process. • Assessing the design and implementation of key internal financial controls over loan impairment process used to calculate the impairment charge. • Testing of review controls over measurement of impairment allowances and disclosures in Ind AS financial statements. • Evaluation of the appropriateness of the impairment principles used by management based on the requirements of Ind AS 109, our business understanding and industry practice. Assessing the appropriateness of management rationale/assumptions estimates used for determination of criteria for Significant Increase in Credit Risk (SICR). • Test of details over of calculation of impairment allowance for assessing the completeness, accuracy and relevance of data. • Model calculations testing through reperformance where possible. • The appropriateness of management's judgments was also independently reconsidered in respect of calculation methodologies, segmentation, economic factors, and the period of historical loss rates used and the valuation of recovery assets. Assessed whether the disclosures on key judgements, assumptions and quantitative data with respect to impairment of loans (including restructuring related disclosures) in the financial statements are appropriate and sufficient.



	• Assessment of qualitative factors having an impact on the credit risk. The effect of these matters is that, as part of our risk assessment, we determined that the impairment of loans and advances to customers has a high degree of estimation. The disclosures (including disclosures prescribed by RBI) regarding the Group's application of Ind AS 109 are key to explaining the key judgements and material inputs to the Ind AS 109 ECL results. Refer note 2.m and 42C of the consolidated financial statements.	
3	***IT systems and controls*** The information system is a critical component of Company's operations, enabling efficient processing of transactions, safeguarding of information, and supporting decision-making. The financial accounting and reporting systems of the Group are also fundamentally reliant on IT systems and controls, hence we identified IT systems and Controls over financial reporting as a key audit matter for the Group considering the pervasive nature of IT environment and the scale and complexity of the IT architecture.	• Obtained an understanding of the Group's IT related control environment, IT applications and databases relevant for the purpose of our audit of the financial statements. • Also, obtained an understanding of the changes that were made to the IT applications during the audit period. • Our audit procedures included assessment and identification of key IT applications, and further verifying, testing, and reviewing the design and operating effectiveness of the IT system, applications, databases, that are important to financial reporting and various interfaces, configuration and other identified general, application and operational controls based on reports and other financial and non-financial information generated from the system on a test check basis. In this regard also relied on work of the internal auditor • The implications of actual status of functioning of IT system and related controls were assessed considering the materiality levels and the significance of their impact over financial reporting.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in Board's Report including Annexures to Board's Report and Shareholder's Information but does not include the consolidated financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditors' 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 and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Board report including Annexures to Board Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 (Revised) 'The Auditor's responsibilities Relating to Other Information'.

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

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation 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 changes in equity and consolidated cash flows of the Group in accordance with the Indian Accounting Standards (Ind AS) and other accounting principles generally accepted in India.

The respective Board of Directors of the companies included in the Group is responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group 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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

JMT & ASSOCIATES ★ CHARTERED ACCOUNTANTS ★ MUMBAI FRN: 104767W

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 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate appropriateness of the accounting policies used and reasonableness of accounting estimates and related disclosures made by management.

- Conclude on appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

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 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 year and are therefore the key audit matters. We describe these matters in our auditors' 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 Matters

We did not audit the financial statements of a subsidiary company, whose financial statements reflect total assets of Rs 235567.37 Lakhs as at 31 March 2025, total revenues of Rs. 28499.55 Lakhs, total net profit after tax of Rs. 2326.65 Lakhs, other comprehensive income of Rs. 4.74 Lakhs and total net cash outflows amounting to Rs. 1155.17 Lakhs for the year ended on that date, as considered in the consolidated financial statements.

The Consolidated Financial Statements/information comprised in the Group's Consolidated Financial Statements are inclusive of Rs.2664.55 Lacs being the Holding Company's share in the net profits of its associate company for the year ended March 31, 2025, which Consolidated Financial Statements/financial information have not been audited by us. It also includes an amount of Rs.16.29 Lacs being the Holding Company's share in the Other Comprehensive Loss of its associate company for the year ended March 31, 2025.

These financial statements have been audited by other auditors whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to amounts and disclosures included in respect of the subsidiary company and associate company, and our report in terms of subsections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary company and associate company, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of subsidiary company as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:



a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this report are in agreement with the books of account;

d) In our opinion the Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2025 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company and associate company, none of the directors of the Group are disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act;

f) With respect to the adequacy of the internal financial controls with reference to Consolidated Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Holding Company, subsidiary company and associate company. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to Consolidated Financial Statements of those companies;

g) With respect to the other matters to be included in Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the Group has not paid or provided remuneration to its directors during the year;

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2021, in our opinion and to the best of our information and according to the explanations given to us, we report that:

i) The Group has disclosed the impact of pending litigations on its consolidated financial position, (Refer note 46 to the consolidated financial statements);

ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts;

iii) There was no amount, required to be transferred, to the Investor Education and Protection Fund by the Group;



iv) (a) The respective Managements of the Holding Company, subsidiary company and associate company, whose financial statements have been audited under the Act, have represented to us and other auditor of the subsidiary and associate company that, to the best of their knowledge and belief, as disclosed in the note 50(e)(i) to the consolidated financial statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary company or its associate 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, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or its subsidiary company ot its associate company ("Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The respective Managements of the Holding Company and its subsidiary company and associate company, whose financial statements have been audited under the Act. represented to us and other auditor of subsidiary company and associate company that, to the best of their knowledge and belief, as disclosed in the note 50(e)(ii) to the consolidated financial statements, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or its subsidiary company or its associate company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary company or its associate company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances and the reports of the auditors of its subsidiary company and associate company, whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

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



vi) Based on our examination which included test checks, performed by us on the Holding Company and its subsidiary company and associate company, have used accounting software systems for maintaining their respective books of account for the financial year ended March 31, 2025 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of audit, we have not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Holding Company and above referred subsidiary company and associate company as per the statutory requirements for record retention.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order" / "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Holding Company and CARO reports issued by other auditors in case of its subsidiary company included in the consolidated financial statements of the Holding Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports except below:

Sr. No.	Name of the Entity	CIN	Holding Company / Subsidiary / Associates / Joint Venture	Clause number of the CARO report which is qualified or adverse
1	Svatantra Micro Housing Finance Corporation Limited	U67190MH2008PLC182274	Subsidiary Company	Clause 3(vii) (b)

For and on behalf of
J M T & ASSOCIATES
Chartered Accountants
Firm Regn No. 104167W

(Amar Bafna)
Partner
Membership No. 048639

Place : Mumbai
Dated : June 20, 2025
UDIN : 25048639BMHDHN4606

SVATANTRA HOLDINGS PRIVATE LIMITED
ANNEXURE-A TO INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 1(f) under the 'Report on Other Legal and Regulatory Requirements' our report to the members of **SVATANTRA HOLDINGS PRIVATE LIMITED** for the year ended on March 31, 2025.

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

Opinion

In conjunction with our audit of the Consolidated Financial Statements of **SVATANTRA HOLDINGS PRIVATE LIMITED** (hereinafter referred to as the "Holding Company") as at and for the year ended March 31, 2025, we have audited the internal financial controls with reference to Consolidated Financial Statements of the Holding Company and its subsidiary company and its associate company as of that date.

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Holding Company, its subsidiary company and associate company have, 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 March 31, 2025, based on the criteria for internal financial control with reference to Consolidated Financial Statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary company and its associate company are responsible for establishing and maintaining internal financial controls with reference to Consolidated Financial Statements based on the internal control with reference to Consolidated Financial Statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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 internal financial controls with reference to Consolidated Financial Statements of the Holding Company, its subsidiary company and its associate company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the 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 and the audit evidence obtained by the other auditors of the subsidiary company and associate company in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to Consolidated Financial Statements of the Holding Company, its subsidiary company and its associate company.

Meaning of Internal Financial Controls Over Financial Reporting

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



Inherent limitations of Internal Financial Controls Over Financial Reporting

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 control 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.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements insofar as it relates to its subsidiary company and associate company are based solely on the corresponding reports of the auditors of such companies.

Our opinion is not modified in respect of the above matters.

For and on behalf of
J M T & ASSOCIATES
Chartered Accountants
Firm Regn No. 104167W

(Amar Bafna)
Partner
Membership No. 048639

Place : Mumbai
Dated : June 20, 2025
UDIN : 25048639BMHDHN4606

Svatantra Holdings Private Limited
CIN:U67200MH2018PTC309327
Consolidated Balance Sheet as at 31 March 2025

(Rs. in lakhs)

	Note no.	As at 31 March 2025	As at 31 March 2024
Assets			
Financial assets			
Cash and cash equivalents	3	5,941.47	7,095.34
Bank balances other than cash and cash equivalents	4	2,625.34	2,478.92
Loans	5	2,24,292.10	2,01,257.23
Investments	6	75,880.41	91,920.48
Other financial assets	7	384.72	206.82
Total financial assets		**3,09,124.04**	**3,02,958.79**
Non-financial assets			
Current tax assets (net)	8	612.75	95.21
Deferred tax assets (net)	9	1,001.99	-
Investment property	10	1.49	1.49
Property, plant and equipment	11	411.59	304.82
Goodwill		20,352.93	20,352.93
Other Intangible assets	12	13.34	10.14
Intangible assets under development	13	2.58	-
Capital Work in Progress	14	1.77	-
Right of use asset	15	413.47	428.68
Other non-financial assets	16	344.34	129.03
Total non-financial assets		**23,156.25**	**21,322.30**
Total assets		**3,32,280.29**	**3,24,281.09**
Liabilities and equity			
Liabilities			
Financial liabilities			
Payables			
Trade payables	17		
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		43.83	17.47
Other payables	18		
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		343.79	253.79
Debt securities	19	-	5,801.65
Borrowings (other than debt securities)	20	1,92,435.66	1,66,161.31
Subordinated Liabilities	21	3,000.00	3,000.00
Other financial liabilities	22	634.52	841.97
Total financial liabilities		**1,96,457.80**	**1,76,076.19**
Non-financial liabilities			
Deferred tax liabilities (net)	9	-	4,850.09
Provisions	23	246.65	184.95
Other non-financial liabilities	24	795.91	290.87
Total non-financial liabilities		**1,042.56**	**5,325.91**
Total liabilities		**1,97,500.36**	**1,81,402.10**
Equity			
Equity share capital	25	3,145.59	10.00
Instruments entirely equity in nature	25	1,21,400.00	1,21,400.00
Other equity	26	10,234.34	21,468.99
Total equity		**1,34,779.93**	**1,42,878.99**
Total liabilities and equity		**3,32,280.29**	**3,24,281.09**
Summary of Material accounting policies	2		

The accompanying notes form an integral part of consolidated financial statements

As per our report of even date attached

For JMT & Associates
Chartered Accountants
Firm's Registration No. 104167W

Amar Bafna
Partner
Membership No: 048639

Place: Mumbai

Date: 20.06.2025

UDIN: 25048639BMHDHN4606

On behalf of the Board of Directors of
Svatantra Holdings Private Limited

Anil Chirania
Director
DIN: 01082719

Shriram Jagetiya
Director
DIN: 01638250

Vinit Tanna
Company Secretary
ACS A50504

Svatantra Holdings Private Limited
CIN:U67200MH2018PTC309327

Consolidated Statement of Profit and Loss for the year ended 31 March 2025

(Rs. in lakhs)

	Note no.	Year ended 31 March 2025	Year ended 31 March 2024
Revenue from operations			
Interest income	27	27,953.10	23,805.39
Fees and commission income	28	104.82	93.39
Dividend Income	29	5,186.16	-
Net gain on fair value changes	30	476.78	176.70
Total revenue from operations		**33,720.86**	**24,075.48**
Other income	31	183.78	280.03
Total income		**33,904.64**	**24,355.51**
Expenses			
Finance costs	32	16,315.37	14,372.26
Impairment on financial instruments	33	1,354.91	795.64
Employee benefits expense	34	5,855.53	4,674.35
Depreciation and amortisation	35	391.59	302.06
Other expenses	36	1,700.47	1,407.48
Total expenses		**25,617.87**	**21,551.79**
Profit /(loss) before tax		**8,286.77**	**2,803.72**
Tax expense:			
- Current tax	37	878.00	739.89
- Deferred tax expenses / (credit)	37	(245.94)	(163.70)
- Earlier year tax adjustments		-	(34.67)
		632.06	**541.52**
Profit /(loss) after tax		**7,654.71**	**2,262.20**
Share in Profit/(Loss) of Associate Company		**2,664.55**	**-**
Profit for the year		**10,319.27**	**2,262.20**
Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
- Remeasurements of the defined benefit plans (cost)		(3.30)	(10.05)
- Tax effect on Remeasurement gain / (loss) on defined benefit plans (OCI)		0.83	2.53
- Gain / (loss) on equity instrument designated at FVOCI		(22,281.22)	(50,736.84)
- Tax effect on Gain / (loss) on equity instrument designated at FVOCI		5,607.74	12,769.45
(ii) Item that will be reclassified to the statement of profit and loss			
- Derivatives designated at cash flow hedge		(12.13)	-
- Tax effect on Gain / (loss) on Derivatives designated at cash flow hedge		3.05	-
Other comprehensive income, net of income tax		**(16,685.03)**	**(37,974.91)**
Total comprehensive income		**(6,365.76)**	**(35,712.71)**
Profit /(loss) for the year attributable to			
Owner of the Company		10,319.27	2,262.20
Non controlling interest		-	-
Other comprehensive income for the year attributable to			
Owner of the Company		(16,685.03)	(37,974.91)
Non controlling interest		-	-

JMT & ASSOCIATES ★ MUMBAI FRN: 104167W ★ CHARTERED ACCOUNTANTS

Svatantra Holdings Private Limited

Svatantra Holdings Private Limited
CIN:U67200MH2018PTC309327

Consolidated Statement of Profit and Loss for the year ended 31 March 2025

(Rs. in lakhs)

	Note no.	Year ended 31 March 2025	Year ended 31 March 2024
Total comprehensive income for the year attributable to			
Owner of the Company		(6,365.76)	(35,712.71)
Non controlling interest		-	-
Earnings per share	38		
Basic earnings per share (Rs.) (Nominal Value - Rs. 10)		0.85	0.19
Diluted earnings per share (Rs.) (Nominal Value - Rs. 10)		0.85	0.19
Summary of Material accounting policies	2		
The accompanying notes form an integral part of financial statements			

As per our report of even date attached
For JMT & Associates
Chartered Accountants
Firm's Registration No. 104167W

Amar Bafna
Partner
Membership No: 048639

Place: Mumbai

Date: 20.06.2025

UDIN: 25048639BMHDHN4606

On behalf of the Board of Directors of
Svatantra Holdings Private Limited

Anil Chirania
Director
DIN: 01082719

Shriram Jagetiya
Director
DIN: 01638250

Vinit Tanna
Company Secretary
ACS A50504

Svatantra Holdings Private Limited
CIN:U67200MH2018PTC309327
Statement of Cash Flows for the year ended 31 March 2025

(Rs. in lakhs)

	Year ended 31 March 2025	Year ended 31 March 2024
Profit before tax	**8,286.77**	**2,803.72**
Cash flow from operating activities		
Adjusted for:		
Finance costs on lease liabilities	39.52	39.81
Transaction costs on borrowings	12.66	(37.38)
Realised / unrealised gain on mutual funds	(476.78)	(176.70)
Depreciation and amortisation	359.55	302.06
Gain/ (loss) on termination of lease (net)	-	(2.25)
Interest on fixed deposits and inter corporate deposits	(267.94)	(1,044.57)
Impairment on financial instruments	1,354.91	795.64
Transaction costs on loans	120.64	(203.73)
Unwinding interest income	(4.96)	(3.77)
Dividend Received	(5,186.16)	
Operating profit before working capital changes	**4,238.21**	**2,472.83**
Changes in working capital		
- (Increase) / decrease in loans	(24,510.42)	(50,352.47)
- (Increase) / decrease in other financial Assets	(172.94)	10.88
- (Increase) / decrease in other non financial Assets	(215.31)	4.63
- Increase / (decrease) in trade payables	116.37	91.19
- (Increase) / decrease in other financial Liabilities	(152.23)	38.62
- (Increase) / decrease in other non financial Liabilities	505.04	141.97
- Increase / (decrease) in provisions	68.03	(75.49)
Cash generated from operating activities	**(20,123.25)**	**(47,667.84)**
Income tax paid (net)	(1,395.52)	(848.45)
Net cash used in operating activities	**(21,518.77)**	**(48,516.29)**
Cash flows from investing activities:		
Purchase of property, plant and equipment,intangibles assets, CWIP	(336.19)	(357.65)
Proceeds from sale of property, plant and equipment	-	1.77
(Purchase) / sale of investments in mutual fund units (net)	(3,360.61)	130.00
Interest received on fixed deposits and Inter Corporate deposits	267.94	1,219.79
Maturity /(investments) of /in fixed deposits	(146.42)	2,597.19
Dividend Received	5,186.16	-
Net cash generated from / (used in) investing activities	**1,610.88**	**3,591.10**
Cash flows from financing activities:		
Share issue expenses	(0.19)	(0.25)
Proceeds from issue of debentures	(5,810.01)	(5,000.00)
Proceeds from long term borrowings	83,660.00	82,800.00
Repayment of long term borrowings	(57,389.97)	(48,022.77)
Proceeds from issue of preference shares capital	-	5,000.00
Repayment of lease liabilities	(177.69)	(117.83)
Interest paid on lease liabilities	(39.52)	(39.81)
Proceeds from issue of equity shares capital	3,700.00	-
Dividend Paid	(5,188.60)	-
Net cash generated from financing activities	**18,754.02**	**34,619.34**

JMT & ASSOCIATES MUMBAI FRN. 104167W CHARTERED ACCOUNTANTS

Svatantra Holdings Private Limited

Svatantra Holdings Private Limited
CIN:U67200MH2018PTC309327
Statement of Cash Flows for the year ended 31 March 2025

(Rs. in lakhs)

	Year ended 31 March 2025	Year ended 31 March 2024
Net increase in cash and cash equivalents	(1,153.87)	(10,305.85)
Cash and cash equivalents as at the beginning of the year	7,095.34	17,401.19
Closing balance of cash and cash equivalents	**5,941.47**	**7,095.34**
Components of cash and cash equivalents		
Cash in hand	9.92	12.55
Balances with banks		
- With banks in current accounts	3,425.88	3,080.43
- Deposits with maturity of less than 3 months	2,505.67	4,002.36
Cash and cash equivalents	**5,941.47**	**7,095.34**

Cash Flow Statement (Contd..)

Changes in liabilities arising from financing activities (Rs. in lakhs)

	As at 31 March 2025	As at 31 March 2024
Opening balance	**1,75,408.37**	**1,45,488.10**
Proceeds from long-term borrowings	77,849.99	77,800.00
Repayment /(addition) in lease liabilities (net)	(15.70)	220.22
Finance costs on lease liabilities	(39.52)	(39.81)
Repayments of long-term borrowings	(57,389.97)	(48,022.77)
Transaction costs on borrowings	12.66	(37.37)
Closing balance	**1,95,825.83**	**1,75,408.37**

Summary of Material accounting policies 2

The accompanying notes form an integral part of financial statements

As per our report of even date attached

For JMT & Associates
Chartered Accountants
Firm's Registration No. 104167W

Amar Bafna
Partner
Membership No: 048639

Place: Mumbai

Date: 20.06.2025

UDIN: 25048639BMHDHN4606

On behalf of the Board of Directors of
Svatantra Holdings Private Limited

Anil Chirania
Director
DIN: 01082719

Shriram Jagetiya
Director
DIN: 01638250

Vinit Tanna
Company Secretary
ACS A50504

Svatantra Holdings Private Limited
CIN:U67200MH2018PTC309327
Consolidated Statement of Changes in Equity for the year ended 31 March 2025

A. Equity share capital (Rs. in lakhs)

Particulars	No of shares	Amount
Balance at 01 April 2023	1,00,000	10.00
Changes in equity share capital due to prior period errors	-	-
Issued during the year	-	-
Balance at 31 March 2024	1,00,000	10.00
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting year	-	-
Issued during the year	3,13,55,933	3,135.59
Balance at 31 March 2025	3,14,55,933	3,145.59

B. Instruments entirely equity in nature

Compulsorily convertible non-cumulative preference shares ("CCPS") (Rs. in lakhs)

Particulars	No of shares	Amount
Balance at 01 April 2023	11,64,00,000	1,16,400.00
Addition during the year	50,00,000	5,000.00
Balance at 31 March 2024	12,14,00,000	1,21,400.00
Addition during the year	-	-
Balance at 31 March 2025	12,14,00,000	1,21,400.00

Other equity (Rs. in lakhs)

Particulars	Reserves and Surplus				Total
	Statutory reserves	Impairment reserve	Securities Premium	Retained earnings	
Balance at 01 April 2023	1,096.67	597.55	-	55,487.72	57,181.94
Profit for the year	-	-	-	2,262.20	2,262.20
Other comprehensive income for the year (net of tax)	-	-	-	(37,974.91)	(37,974.91)
Transfer from / to retained earnings	626.38	-	-	(626.38)	-
Stamp duty on issue of 6% Compulsorily convertible non cumulative preference shares	-	-	-	(0.25)	(0.25)
Balance at 31 March 2024	1,723.05	597.55	-	19,148.39	21,468.99
Addition during the year	-	-	564.41	-	564.41
Share issue expenses	-	-	(0.19)	-	(0.19)
Profit for the year	-	-	-	10,319.27	10,319.27
Other comprehensive income for the year (net of tax)	-	-	-	(16,685.03)	(16,685.03)
Dividend Paid on 6% Compulsorily convertible non cumulative preference shares	-	-	-	(5,188.60)	(5,188.60)
Derecognition of share of Profit/(Loss) of Associate Company on dilution	-	-	-	(244.50)	(244.50)
Transfer from / to retained earnings	715.12	-	-	(715.12)	-
Balance at 31 March 2025	2,438.17	597.55	564.22	6,634.40	10,234.34

refer note 26.2 to 26.5 for the nature of above reserves.

Summary of Material accounting policies 2

The accompanying notes are an integral part of consolidated financial statements

As per our report of even date attached

For JMT & Associates
Chartered Accountants
Firm's Registration No. 104167W

Amar Bafna
Partner
Membership No: 048639

Place: Mumbai

Date: 20.06.2025

UDIN: 25045629BMHDHN4608

On behalf of the Board of Directors of
Svatantra Holdings Private Limited

Anil Chirania
Director
DIN: 01082719

Shriram Jagetiya
Director
DIN: 01638250

Vinit Tanna
Company Secretary
ACS A50504

Corporate Information :

Svantantra Holdings Private Limited (SHPL) was incorporated on 11 May 2018 under the Companies Act, 2013 and registered at Registrar of Companies, Mumbai, Maharashtra and its registered office at 213, Second Floor, TV Industrial Estate, 52, SK Ahire Marg, Worli, Mumbai - 400030. SHPL is a Core Investment Company in terms of Core Investment Companies (Reserve Bank) Directions, 2016, issued by the Reserve Bank of India (RBI) on August 25, 2016. Further, the Board of Directors of the SHPL have passed a resolution on 21 May 2018 confirming that the Holding Company shall not access public funds at any point of time without obtaining registration with RBI.

SHPL has acquired the 100% fully paid equity shares of Svatantra Micro Housing Finance Corporation Limited (Formerly known as Micro Housing Finance Corporation Limited) on 15 September 2018 which is incorporated with the objective to provide housing finance for financially excluded families, particularly lower income informal sector households. The Subsidiary company was registered with National Housing Bank ("NHB") as housing finance company. However, vide certificate of registration dated 12 February 2020, the Company is also registered with the Reserve Bank of India ("RBI") as a housing finance company.

Svantantra Holdings Private Limited (SHPL) has invested in Equity Shares and Compulsory Convertible Non-Cumulative Preference shares (CCPS) of Svatantra Microfin Private Limited (SMPL). On 31st Oct 2024, as per amended terms of CCPS dated 16th Nov 2023 , CCPS held by SHPL were converted into equity shares in the ratio of 13:9. Accordingly, SHPL became equity shareholder to the extent of 21.47% (As on 31st March 25) with effect from 31st Oct 2024.

Svatantra Holdings Private Limited (hereinafter referred to as the 'Holding/Parent Company') and its subsidiary i.e. Svatantra Micro Housing Finance Corporation Limited (Formerly known as Micro Housing Finance Corporation Limited) and its assoicate Svatantra Microfin Private Limited collectively referred to as the 'Group'.

1 Basis of preparation of consolidated financial statements

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, and on the basis of accounting principle of a going concern in accordance with generally accepted accounting principles (GAAP). 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. The Financial Statements are presented in Lakhs or decimal thereof.

The consolidated financial statements have been presented in accordance with Schedule III-Division III General Instructions for Preparation of financial statements of a Non-Banking Financial Company (NBFC) that is required to comply with Ind AS.

2 Material accounting policies

a. Basis of consolidation

The consolidated financial statements comprise the financial statements of the Holding Company , its subsidiary and associate as at 31 March 2025. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

(i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee).
(ii) Exposure, or rights, to variable returns from its involvement with the investee, and
(iii) The ability to use its power over the investee to affect its returns
Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

a) The contractual arrangement with the other vote holders of the investee
b) The ability to use its power over the investee to affect its returns
c) The Group's voting rights and potential voting rights
d) The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group losses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The consolidated financial statements have been prepared on the following basis:
(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiary. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full) except as stated in point no (d). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

(d) Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

JMT & ASSOCIATES CHARTERED ACCOUNTANTS MUMBAI FRN. 104167W

Svatantra Holdings Private Limited

(e) Changes in ownership interests
The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in Consolidated Profit and Loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to Consolidated Statement of Profit and Loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

(f) The excess of cost to the Parent Company of its investment in the subsidiary over the Parent Company's portion of equity of the subsidiary is recognised in the Consolidated Financial Statements as Goodwill. This Goodwill is tested for impairment at the end of the financial year. The excess of Parent Company's portion of equity over the cost of investment as at the date of its investment is treated as Capital Reserve.

(g) The financial statements of the subsidiary used in consolidation are drawn up to the same reporting date as that of the Parent Company.
(h) Following companies are consolidated:

Name of the Company	Relationship	% of ownership either directly or indirectly	Date of becoming subsidiary/Associate	Country of incorporation
Svatantra Micro Housing Finance Corporation Limited (Formerly known as Micro Housing Finance Corporation Limited)	Subsidiary	100.00%	15 September 2018	India
Svatantra Microfin Private Limited	Associate	21.47%	31 October 2024	India

b. Business Combinations
Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit.

Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods. Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

In case of Associate Company

Investments in associate company have been accounted under the equity method as per Ind AS 28 " Investments in Associates"

c. Functional and presentation currency

These financial statements are presented in Indian Rupees ('INR' or 'Rs.') which is also the Group's functional currency. All amounts are rounded-off to the nearest lakhs and decimals thereof, unless otherwise indicated.

JMT & ASSOCIATES ★ CHARTERED ACCOUNTANTS ★ MUMBAI FRN: 104167W

Svatantra Holdings Private Limited ★

d. Measurement of fair values

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

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

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

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

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 -Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

e. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

Interest Income

Interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instruments or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

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 Group 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 loan.

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.

Penal Charges and Penal Interest

Penal Charges and Penal Interest are accured and due on receipt basis.

Net gain on Fair value changes:

Any differences between the fair values of financial assets classified as fair value through the profit or loss held by Group on the balance sheet date is recognised as an unrealised gain / loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under revenue from operations and if there is a net loss the same is disclosed under "Expenses" in the Statement of Profit and Loss.

Similarly, any realised gain or loss on sale of financial instruments measured at FVTL and debt instruments measured at Fair value through Other Comprehensive Income ("FVOCI") is recognised in net gain\loss on fair value changes.

However, net gain / loss on derecognition of financial instruments classified as amortised is presented separately under the respective head in the Statement of Profit and Loss.
Profit or loss on sale of investments is recognised on the date of sale of mutual fund units and is determined as the difference between the sale price and the carrying value of the investments.

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Fees and commission
Service fees and facilitation charges are recognised on satisfactorily completion of service delivery.

f. Financial instruments

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

Initial recognition and measurement

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

Non-derivative financial assets
Subsequent measurement

i. Financial assets carried at amortised cost
a Financial asset is measured at the amortised cost if both the following conditions are met:
The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

ii. Investments in equity instruments
Investments in equity instruments which are held for trading are classified at fair value through profit or loss (FVTPL). For all other equity instruments, the Group makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same either at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). Amounts presented in other comprehensive income are not subsequently transferred to Statement of Profit and Loss. However, the Group transfers the cumulative gain or loss within equity.
Dividends on such investments are recognised in Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment.

iii. Investments in mutual funds
Investments in mutual funds are measured at fair value through profit and loss (FVTPL).

De-recognition of financial assets

Financial assets (or where applicable, a part of financial asset or part of a group of similar financial assets) are derecognised (i.e. removed from the Group's balance sheet) when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. Further, if the Group has not retained control, it shall also de-recognise the financial asset and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer.

Non-derivative financial liabilities
Subsequent measurement
Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities
A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss. However, if the lender is directly or indirectly acting as shareholder or member of the promoter group then any loss or gain is recognised directly in to equity.

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

Initial recognition gain or loss (Day 1 gain or loss)
In case a financial instrument for which transaction price differs from fair value and fair value is evidenced through quoted price in active market (i.e., level 1) or based on valuation technique that uses data from observable market inputs, the Company shall recognise the difference between the fair value at initial recognition and transaction price as gain or loss.

With respect to financial instruments, the Group on case to case basis understand the reason for any difference between the fair value at initial recognition and transaction price. This could be capital contribution or deemed contribution or deemed distribution or consideration for goods and services depending upon circumstances. In all other cases, at the measurement required by paragraph 5.1.1 Ind AS 109, adjusted to defer the difference between the fair value at initial recognition and the transaction price. After initial recognition, the entity shall recognise that deferred difference as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

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g. Foreign currency

Transactions in foreign currency are recorded at exchange rate prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and exchange gain or loss arising on settlement and restatement are recognised in the Statement of Profit and Loss.

h. Property, plant and equipment (PPE)

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance costs are recognised in Statement of Profit and Loss.

Depreciation and amortisation

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on property, plant and equipment is provided on the written down method over the useful life of the assets. as prescribed under Part 'C' of Schedule II of the Companies Act, 2013.

Asset Class	Useful life
Office equipment	5 years
Computer equipment	3 years
Furniture and fixture	10 years

Depreciation is calculated on pro rata basis from the date on which the asset is ready for use or till the date the asset is sold or disposed. The residual values, useful lives and method of depreciation are reviewed at the end of each financial year. PPE costing up to Rs. 5,000 individually are depreciated fully in the year in which they are purchased.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the Statement of Profit and Loss, when the asset is de-recognised.

Capital work-in-progress

Capital work-in-progress are carried at cost, comprising direct cost and related incidental expenses acquire property, plant and equipment. Assets which are not ready to intended use are also shown under capital work-in-progress.

Intangible assets

Recognition and initial measurement

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price including any import duties and other taxes (other than those subsequently recoverable from taxation authorities), borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Computer software - 3 years

Amortisation

Intangible assets are amortised over a their estimated useful lives. The estimated useful life (amortisation period) of the intangible assets is arrived basis the expected pattern of consumption of economic benefits and is reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any. The estimated useful lives of intangible assets are as follows:

Computer Software - 3 years

i. Income taxes

Income tax expense comprises current tax expenses and net change in the deferred tax assets or liabilities during the year. Current and deferred taxes are recognised in the Statement of Profit and Loss, except when they relate to item that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current tax

Provision for current tax is recognized based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Advance taxes and provision for current income tax are presented in the balance sheet after offsetting the advance tax paid and income tax provision arising in the same jurisdiction and where the relevant tax paying units intends to settle the asset and liability on a net basis.

Deferred tax

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets are recognised on unused tax loss, unused tax credits and deductible temporary differences to the extent it is probable that the future taxable profits will be available against which they can be used. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year 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 tax consequences that would follow from the manner in which the Group expects, at the reporting date to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside Statement of Profit and Loss (either in other comprehensive income or in equity).

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j. Employee Benefits

Short-term employee benefits:

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as a related service provided. A liability is recognised for the amount expected to be paid under short term cash bonus or profit sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Contribution to provident fund and other funds :

In accordance with Indian Law, eligible employees receive benefits from Provident Fund , Employee State Insurance Contribution (ESIC) and Labour welfare fund which is defined contribution plan. In case of Provident fund, both the employee and employer make monthly contributions to the plan, which is administrated by the Government authorities, each equal to the specific percentage of employee's basic salary. The Group has no further obligation under the plan beyond its monthly contributions. Obligation for contributions to the plan is recognised as an employee benefit expense in the Statement of Profit and Loss when incurred.

Gratuity:

Gratuity is a post employment benefit and is in the nature of a defined benefit plan. The liability recognised in the balance sheet in respect of gratuity is the present value of the defined benefit / obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefits / obligations are calculated at the balance sheet date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising on the measurement of defined benefit obligation is charged/ credited to other comprehensive income

Compensated Absences:

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

k. Borrowing costs:

Borrowing cost of financial liabilities is recognised using the Effective Interest Rate (EIR) method

l. Impairment of non-financial assets

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. Recoverable amount is higher of an asset's net selling price and its value in use. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the reporting date, there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

m. Impairment of financial assets

Loan assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments, and are measured at amortised cost.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is calculated to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, the Group reverts to recognising impairment loss allowance based on 12-month ECL.

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

The measurement of ECL is calculated using three main components: (i) probability of default (PD) (ii) loss given default (LGD) and (iii) the exposure at default (EAD). The 12 month ECL is calculated by multiplying the 12 month PD, LGD and the EAD. The 12 month and lifetime PDs represent the PD occurring over the next 12 months and the remaining maturity of the instrument respectively. The EAD represents the expected balance at default, taking into account the repayment of principal and interest from the balance sheet date to the default event together with any expected drawdowns of committed facilities. The LGD represents expected losses on the EAD given the event of default, taking into account, among other attributes, the mitigating effect of collateral value at the time it is expected to be realised and the time value of money.

The Group applies a three-stage approach to measure ECL on financial assets accounted for at amortised cost and FVTOCI. Assets migrate through the following three stages based on the change in credit quality since initial recognition.

i) Stage 1: 12-months ECL - For exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months is recognised. Exposures with days past due (DPD) less than or equal to 29 days are classified as stage 1. The Group has identified zero bucket and bucket with DPD less than or equal to 29 days as two separate buckets.

ii) Stage 2: Lifetime ECL – not credit impaired - For credit exposures where there has been a significant increase in credit risk since initial recognition but that are not credit impaired, a lifetime ECL is recognised. Exposures with DPD equal to 30 days but less than or equal to 89 days are classified as stage 2. At each reporting date, the Group assesses whether there has been a significant increase in credit risk for financial asset since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition. The Group has identified cases with DPD equal to or more than 30 days and less than or equal to 59 days and cases with DPD equal to or more than 60 days and less than or equal to 89 days as two separate buckets.

iii) Stage 3: Lifetime ECL – credit impaired - Financial asset is assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For financial asset that have become credit impaired, a lifetime ECL is recognised on principal outstanding as at period end. Exposures with DPD equal to or more than 90 days are classified as stage 3.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is recognised in OCI and carrying amount of the financial asset is not reduced in the balance sheet.

The Group does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

It has been the Group's policy to regularly review its models in the context of actual loss experience and adjust when necessary. Refer note 37 (C) for detailed note.

Trade receivables

In respect of trade receivables, the Group applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of trade receivables.

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Write-offs
Financial assets are written off either partially or in their entirety to the extent that there is no realistic prospect of recovery. Any subsequent recoveries are credited to the Statement of Profit and Loss.

n. Cash and cash equivalents
Cash and cash equivalents comprise cash on hand (including imprest), demand deposits and short-term highly liquid investments that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value. The Group has netted off the balance of bank overdraft with cash and cash equivalents for cash Flow Statement.

o. Provisions, Contingent liabilities and Contingent assets:
Provisions are recognised only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:
Possible obligations which will be confirmed only by future events not wholly within the control of the Group or
Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

p. Reimbursement of processing fee and other charges
As per the guidelines of new government schemes under Pradhan Mantri Awas Yojana (PMAY), no processing fee is allowed to be charged to the eligible customers. However, the Group is entitled to get a reimbursement from the customers for the expenses incurred in connection with origination of the loans. Such reimbursement receivable forms part of "Non-housing loans", included under Loans and advances in the Balance Sheet.

The expenses presented in the Statement of Profit and Loss such as Salaries and wages, Insurance, Franking charges, etc. are stated net of such recoveries from customers.

q. Earnings per share
The basic earnings per equity share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of equity shares, which may be issued on the conversion of all dilutive potential shares, unless the results would be anti dilutive.

r. Segment Reporting
Identification of Segments

Operating Segments are identified based on monitoring of operating results by the chief operating decision maker (CODM) separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss, and is measured consistently with profit or loss of the Group.

Operating Segment is identified based on the nature of products and services, the different risks and returns, and the internal business reporting system.

Segment Policies
The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole. Further, inter-segment revenue have been accounted for based on the transaction price agreed to between segments, which is primarily market based.Unallocated Corporate Items include general corporate income and expenses, which are not attributable to segments.

s. Leases

As a lessee
The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i. Right of use assets
The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The right-of-use assets are also subject to impairment. Refer note 2 (l) of accounting policy for impairment of non-financial assets.

ii. Lease liabilities
At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

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In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in other financial liabilities

iii. Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of laptops, lease-lines and office furniture and equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

As a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

t. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Group w.e.f. April 1, 2024. The Group has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

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Svatantra Holdings Private Limited
CIN:U67200MH2018PTC309327
Notes to the consolidated financial statements for the year ended 31 March 2025

3 Cash and cash equivalents

(Rs. in lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Cash on hand	9.92	12.55
Balances with banks - in current accounts*	3,425.88	3,080.43
Deposits with maturity of less than 3 months	2,505.67	4,002.36
Total	**5,941.47**	**7,095.34**
* Includes amounts received towards NHB subsidy pending transfer to customers	2.46	2.46

4 Bank balances other than cash and cash equivalents

(Rs. in lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Other Bank Balances		
- In escrow account*		
Deposits with maturity of more than 3 months but less than 12 months*	2,625.34	2,478.92
Total	**2,625.34**	**2,478.92**
*** Bank deposit held as securities:**		
- against borrowings	208.47	189.73
-against bank guarantee	2,416.87	2,289.19
	2,625.34	**2,478.92**

5 Loans

(Rs. in lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
At amortised cost		
(i) Term loans		
(a) Housing loans	1,87,257.65	1,71,716.48
(b) Non housing loans	39,565.35	31,085.77
(c) Loan to employees	68.95	53.91
Total (i) - Gross	**2,26,891.95**	**2,02,856.16**
Less: Impairment loss allowance	(2,599.85)	(1,598.93)
Total (i) - Net	**2,24,292.10**	**2,01,257.23**
(ii) Secured/unsecured		
(a) Secured by tangible assets	2,26,823.00	2,02,802.25
(b) Unsecured	68.95	53.91
Total (ii) - Gross	**2,26,891.95**	**2,02,856.16**
Less: Impairment loss allowance	(2,599.85)	(1,598.93)
Total (ii) - Net	**2,24,292.10**	**2,01,257.23**
(iii) Loans in India		
(a) Public sector	-	-
(b) Others	2,26,891.95	2,02,856.16
Total (iii) - Gross	**2,26,891.95**	**2,02,856.16**
Less: Impairment loss allowance	(2,599.85)	(1,598.93)
Total (iii) - Net	**2,24,292.10**	**2,01,257.23**
(iv) Loans outside India		
(a) Loan outside India	-	-
Total (iv)	**-**	**-**

Loans or advances in the nature of loans are granted to the promoters, directors,KMP's, and the related parties, either severally or jointly with any other persons.

(Rs. in lakhs)

Particulars	As at 31 March 2025	% to the total loans and advances in the nature of loans	As at 31 March 2024	% to the total loans and advances in the nature of loans
Promotors	Nil	Nil	Nil	Nil
Directors	Nil	Nil	Nil	Nil
KMP's	Nil	Nil	Nil	Nil
Related parties	Nil	Nil	Nil	Nil

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6 Investments

(Rs. in lakhs)

Particulars	As at 31 March 2025						
	Amortised cost	At Fair Value			Subtotal	Others (At Cost)	Total
		Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss			
(I) Units of Mutual Fund							
9,49,700.557 Units of Aditya Birla Sunlife Liquid Fund - Growth - Direct	-	-	3,976.65	-	3,976.65	-	3,976.65
(II) Equity instruments							
- Unquoted							
- in Associate Company*							
13,46,11,109 Equity shares of Svatantra Microfin Private Limited of ₹ 10 each fully paid up (Including Goodwill of Rs 1575.74 Lakhs)	-	-	-	-	-	69,500.00	
Add :Share in Profit/(Loss) of Associate Company						2,648.27	
Less : Derecognition of share of Profit/(Loss) of Associate Company on dilution						(244.50)	71,903.76
Total – Gross (A)	-	-	3,976.65	-	3,976.65	71,903.76	75,880.41
(A) Investments outside India	-	-	-	-	-	-	-
(B) Investments in India	-	-	3,976.65	-	3,976.65	71,903.76	75,880.41
Total – Gross (B)	-	-	3,976.65	-	3,976.65	71,903.76	75,880.41
Total of (A) to tally with (B)	-	-	-	-	-	-	-
Less: Impairment loss allowance (C)	-	-	-	-	-	-	-
Total – Net [D = (A) - (C)]	-	-	3,976.65	-	3,976.65	71,903.76	75,880.41

* 5% Convertible Preference Shares of ₹ 100 each held by Svatantra Holdings Private Limited (SHPL) in Svatantra Microfin Private Limited (SMPL) converted in Equity Shares in the ratio of 13:9 i.e 9 CCPS of ₹ 100 each fully paid-up converted into 13 Equity Shares of ₹ 10 each fully paid up on 31st October 2024

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Svatantra Holdings Private Limited

6 **Investments**

(Rs. in lakhs)

Particulars	As at 31 March 2024						
	Amortised cost	At Fair Value			Subtotal	Others (At Cost)	Total
		Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss			
(I) Units of Mutual Fund							
35,736.039 Units of Aditya Birla Sunlife Liquid Fund - Growth - Direct	-	-	139.26	-	139.26	-	139.26
(II) Equity instruments							
- Unquoted							
- in other company							
40,000,000 Equity shares of Svatantra Microfin Private Limited of ₹ 10 each fully paid-up	-	27,273.00	-	-	27,273.00	-	27,273.00
(III) Preference instruments							
- Unquoted							
- in other company							
6,55,00,000 5% Compulsory Convertible Non-Cumulative Preference Shares of ₹ 100 each fully paid-up of Svatantra Microfin Private Limited #	-	64,508.22		-	64,508.22	-	64,508.22
Total – Gross (A)	-	**91,781.22**	**139.26**	-	**91,920.48**	-	**91,920.48**
(A) Investments outside India	-	-	-	-	-	-	-
(B) Investments in India	-	91,781.22	139.26	-	**91,920.48**	-	**91,920.48**
Total – Gross (B)	-	**91,781.22**	**139.26**	-	**91,920.48**	-	**91,920.48**
Total of (A) to tally with (B)	-	-	-	-	-	-	-
Less: Impairment loss allowance (C)	-	-	-	-	-	-	-
Total – Net [D = (A) - (C)]	-	**91,781.22**	**139.26**	-	**91,920.48**	-	**91,920.48**

Pursuant to the Consent letter dated 16 Nov 2023, the aforesaid conversion term are revised as follows:
CCPS shall be compulsorily convertible into equity shares of the issuer company any time at the option of the CCPS holder in the ratio of 9:13 i.e. 9 CCPS of ₹ 100 each fully paid-up shall be convertible into 13 Equity Shares of ₹ 10 each fully paid up. If the CCPS Holder does not exercise the option to convert the CCPS in to equity shares before the expiry of 10 (Ten) years from the date of allotment of CCPS, then the CCPS shall be convertible into equity shares of the Company on the expiry of 10 (Ten) years from the date of allotment of CCPS. All other terms and conditions of CCPS shall remain in full force and effect.

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Svatantra Holdings Private Limited

7 Other financial assets

(Rs. in lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
At amortised cost		
Security deposits	245.74	87.07
Staff advances	33.97	13.60
Receivable from government authority*	41.08	42.40
Others receivables	63.93	63.75
Total	**384.72**	**206.82**

* Represents receivable from municipal authority on account of loans defaulted by the customers under BSUP scheme.

8 Current tax assets (net)

(Rs. in lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Advance tax*	147.90	95.21
TDS Receivable (Net of Provision for Tax of ₹ 53.77 Lakhs)	464.85	0.00
Total	**612.75**	**95.21**

* Net of provision for tax as at 31st March 2025 Rs. 820.97 lakhs (As at 31st March 2024 Rs "738.89)

9 Deferred Tax Assets/ Liabilities (net)

(Rs. in lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Deferred Tax assets		
Provision for impairment of assets	608.24	362.47
Provision for employee benefits	60.80	45.01
Timing difference on PPE	61.93	39.00
Unearned processing fee	1.49	7.42
Share issue expenses	4.72	7.39
Transaction cost on loans	375.62	401.73
Lease liabilities	(5.86)	4.21
Total deferred Tax assets	**1,106.94**	**867.23**
Deferred Tax liabilities		
Fair value gain / (loss) on investments	(0.09)	(5,609.27)
Modification (restructuring) gain on financial assets	(4.16)	(4.16)
Amortisation of borrowing costs	(100.70)	(103.89)
Total deferred Tax liabilities	**(104.95)**	**(5,717.32)**
Net deferred Tax assets/(liabilities)	**1,001.99**	**(4,850.09)**

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Svatantra Holdings Private Limited

10 Investment property

(Rs. in lakhs)

Particulars	Freehold land	Total
Gross block		
As at 1 April 2023	1.49	1.49
Additions	-	-
Deletions	-	-
As at 31 March 2024	1.49	1.49
Additions	-	-
Deletions	-	-
As at 31 March 2025	1.49	1.49
Accumulated depreciation		
As at 1 April 2023	-	-
Charge for the year	-	-
Deletions	-	-
As at 31 March 2024	-	-
Charge for the year	-	-
Deletions	-	-
As at 31 March 2025	-	-
Net block		
As at 31 March 2024	1.49	1.49
As at 31 March 2025	1.49	1.49

Notes:

The Group's investment property is a piece of land in India, currently held for undetermined use. The Group has no restrictions on the realisability of its investment properties and no contractual obligations to either purchase, construct or develop investment properties or for repairs, maintenance and enhancements.The Group confirms that the title deeds of immovable properties are held in the name of the Group.

(a) Fair value of investment property

(Rs. in lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Freehold land	1.89	1.49

The fair value of investment property has been determined by an independent valuer, who has adequate professional experience as well as adequate expertise in the location and category of the investment property. The value is determined based on the rate prescribed by government authorities for the property. Management believes that the net recoverable value of the property would be higher than carrying amount and therefore, no impairment has been made. The resultant fair value estimates for investment property is included in level 2.

There are no amounts recognised in the Statement of Profit and Loss account in relation to the above investment property.

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Svatantra Holdings Private Limited

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Notes to the consolidated financial statements for the year ended 31 March 2025

11 Property, plant and equipment

(Rs. in lakhs)

Particulars	Office equipment	Furniture and fixtures	Computer and data processing equipment	Leasehold improvements	Total
Gross block (Cost)					
As at 1 April 2023	**82.02**	**29.36**	**125.41**	**52.53**	**289.31**
Additions	86.12	39.81	73.18	148.56	**347.66**
Deletion	(0.95)	(0.27)	(0.50)	-	**(1.72)**
As at 31 March 2024	**167.19**	**68.90**	**198.09**	**201.09**	**635.25**
Additions	**109.21**	**46.90**	**97.53**	**65.53**	**319.17**
Deletions	-	-	-	-	-
As at 31 March 2025	**276.40**	**115.80**	**295.62**	**266.62**	**954.42**
Accumulated depreciation / amortisation					
As at 1 April 2023	**42.51**	**17.08**	**74.54**	**43.52**	**177.64**
Charge for the year	51.42	10.73	57.01	33.62	152.79
Deletions	-	-	-	-	-
As at 31 March 2024	**93.93**	**27.81**	**131.55**	**77.14**	**330.43**
Additions	**69.20**	**19.07**	**63.77**	**60.36**	212.40
Deletions	-	-	-	-	-
As at 31 March 2025	**163.13**	**46.88**	**195.32**	**137.50**	**542.83**
Net block					
As at 31 March 2024	**73.26**	**41.09**	**66.54**	**123.95**	**304.82**
As at 31 March 2025	**113.27**	**68.92**	**100.30**	**129.12**	**411.59**

12 Other Intangible assets

(Rs. in lakhs)

Particulars	Computer software
Gross block	
As at 1 April 2023	**5.53**
Additions	20.17
Deletions	(0.05)
As at 31 March 2024	**25.65**
Additions	**12.67**
Deletions	-
As at 31 March 2025	**38.32**
Accumulated depreciation / amortisation	
As at 1 April 2023	**3.92**
Charge for the year	11.59
Deletions	-
As at 31 March 2024	**15.51**
Additions	**9.47**
Deletions	-
As at 31 March 2025	**24.98**
Net block	
As at 31 March 2024	**10.14**
As at 31 March 2025	**13.34**

The Company has not revalued its' Property, Plant & Equipment and Intangible Assets during the year.

13 Intangible assets under development

(Rs. in lakhs)

Particulars	Software
As at 1 April 2023	**10.18**
Additions	2.55
Deletions	(12.73)
As at 31 March 2024	-
Additions	**2.58**
Deletions	-
As at 31 March 2025	**2.58**
Net block	
As at 31 March 2024	-
As at 31 March 2025	**2.58**

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Svatantra Holdings Private Limited

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Notes to the consolidated financial statements for the year ended 31 March 2025

i Intangible assets under development ageing schedule for the year ended 31 March 2025 is as follows: (Rs. in lakhs)

Particulars	Amount in Intangible asset under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	2.58	-	-	-	2.58
Projects temporarily suspended	-	-	-	-	-

i Intangible assets under development ageing schedule for the year ended 31 March 2024 is as follows: (Rs. in lakhs)

Particulars	Amount in Intangible asset under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

14 Capital work in progress (Rs. in lakhs)

Particulars	Leasehold improvement
As at 1 April 2023	-
Additions	-
Deletions	-
As at 31 March 2024	-
Additions	1.77
Deletions	-
As at 31 March 2025	1.77
Net block	
As at 31 March 2024	-
As at 31 March 2025	1.77

Capital work in progress ageing schedule for the year ended 31 March 2025 is as follows: (Rs. in lakhs)

Particulars	Amount in Intangible asset under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	1.77	-	-	-	1.77
Projects temporarily suspended	-	-	-	-	-

Capital work in progress ageing schedule for the year ended 31 March 2024 is as follows: (Rs. in lakhs)

Particulars	Amount in Intangible asset under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

15 Right of use Asset (Rs. in lakhs)

Particulars	Office building
Gross block	
As at 1 April 2023	548.55
Additions	312.33
Deletions	(19.11)
As at 31 March 2024	841.77
Additions	154.51
Deletions	-
As at 31 March 2025	996.28
Accumulated depreciation / amortisation	
As at 1 April 2023	282.68
Charge for the year	137.68
Deletions	(7.27)
As at 31 March 2024	413.09
Charge for the year	169.72
Deletions	-
As at 31 March 2025	582.81
Net block	
As at 31 March 2024	428.68
As at 31 March 2025	413.47

ROU is on tangible asset

JMT & ASSOCIATES ★ MUMBAI FRN: 104167W ★ CHARTERED ACCOUNTANTS

Svatantra Holdings Private Limited

16 Other non-financial assets

(Rs. in lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Prepaid expenses	318.76	80.31
Unamortised borrowing cost	-	48.72
Other assets	25.58	-
Total	**344.34**	**129.03**

17 Trade payables

(Rs. in lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	43.83	17.47
Total	**43.83**	**17.47**

Ageing of Trade Payables as per below schedule for balances outstanding as at 31 March 2025 (Rs. in lakhs)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	41.13	-	-	-	**41.13**
(iii) Disputed dues – MSME	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-
(v)Unbilled					**2.70**
Total	**41.13**	-	-	-	**43.83**

Ageing of Trade Payables as per below schedule for balances outstanding as at 31 March 2024 (Rs. in lakhs)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME		-	-	-	-
(ii) Others	14.77	-	-	-	**14.77**
(iii) Disputed dues – MSME	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-
(v)Unbilled					**2.70**
Total	**14.77**	-	-	-	**17.47**

18 Other payables

(Rs. in lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	343.79	253.79
Total	**343.79**	**253.79**

19 Debt securities

(Rs. in lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Secured		
At amortised cost		
Redeemable non-convertible debentures	-	5,301.64
Unsecured		
At amortised cost		
Redeemable non-convertible debentures	-	500.01
Total	-	**5,801.65**
Debt securities in India	-	5,801.65
Debt securities outside India		
Total	-	**5,801.65**

JMT & ASSOCIATES CHARTERED ACCOUNTANTS MUMBAI FRN: 104167W

Svatantra Holdings Private Limited

(Rs. in lakhs)

Terms of debentures	As at 31 March 2025	As at 31 March 2024
9.45% secured ,rated, unlisted, 265,000 redeemable non convertible debentures of Rs. 1,000 at par on 18 November 2024*	-	2,650.00
10.60% secured ,rated, unlisted, 266,000 redeemable non convertible debentures of Rs. 1,000 at par on 18 November 2024*	-	2,660.00
9.65%, secured, rated, unlisted, senior, fully paid up, taxable, 400 redeemable non-convertible debentures of Rs.1,000,000 at par on 21 April 2023*	-	-
8.51%, unsecured, rated, unlisted, fully paid up, taxable, 300 redeemable non-convertible debentures of Rs.1,000,000 at par on 22 September 2024	-	500.01
Total Debt securities	-	**5,810.01**
Adjustments of unamortised processing fee based on EIR	-	(8.36)
Total adjusted Debt securities	-	**5,801.65**

*The above non-convertible debentures ("NCD") were issued on private placement basis and secured by way of a first ranking exclusive and continuing charge over the standard book debts / loan receivables of the Group. The payment of interest half yearly and Principal payable at maturity.

The payment of interest half yearly and Principle payable at maturity

(Rs. in lakhs)

Rate of interest	Maturity	As at 31 March 2025 Secured	As at 31 March 2024 Secured
Secured			
8.51% - 10.60%	Within 1-5 years	-	5,310.00
8.51% - 10.60%	More than 5 years	-	-
Total Debt securities		-	**5,310.00**
Unsecured			
8.51% - 10.60%	Within 1-5 years	-	500.01
8.51% - 10.60%	More than 5 years	-	
Total Debt securities		-	**5,810.01**
Adjustments of unamortised processing fee based on EIR		-	(8.36)
Total adjusted Debt securities		-	**5,801.65**

20 Borrowings (other than debt securities)

(Rs. in lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
At amortised cost		
Secured		
Term loans		
- from banks	1,53,330.50	1,33,016.59
- from National Housing Bank (NHB)	27,405.02	23,682.32
- from Financial Institution (FI)	11,700.14	9,462.40
Total	**1,92,435.66**	**1,66,161.31**
Borrowings in India	1,92,435.66	1,66,161.31
Borrowings outside India	-	-
Total	**1,92,435.66**	**1,66,161.31**

Notes:

(i) Term loans are secured by first exclusive charge through hypothecation of book debts/ receivables (housing loans) of the Group both present and future and assignment of mortgage on the dwelling units financed from such term loans.

(ii) The Company has not defaulted in the repayment of debt securities and borrowings (other than debt securities) and interest thereon for the year ended 31 March 2025 and 31 March 2024.

(iii) The repayment of the borrowing is done in monthly, quarterly, half - yearly and annual instalment as per the sanctioned terms.





(Rs. in lakhs)

Rate of interest	Category	Maturity	As at 31 March 2025	As at 31 March 2024
			Secured/ unsecured	Secured/ unsecured
7%-9%	Banks	Within 1 year	468.73	322.82
9%-10%	Banks		1,971.39	3,244.21
10%-11%	Banks		976.31	745.74
2%-10%	NHB		18.00	274.95
7%-9%	Banks	Within 1-5 years	64,668.22	40,436.77
9%-10%	Banks		42,244.06	41,182.16
10%-11%	Banks		11,346.34	9,258.91
11%-12%	Banks		634.06	4,029.62
7%-11%	FI		8,150.89	4,912.85
2%-10%	NHB		6,190.10	3,281.59
8%-9%	Banks	More than 5 years	16,372.58	7,500.00
9%-10%	Banks		15,001.34	26,641.66
7%-11%	FI		3,517.86	4,589.29
2%-10%	NHB		21,212.17	20,145.19
Total borrowings (excluding loans repayable on demand)			**1,92,835.80**	**1,66,565.76**
Adjustments of unamortised processing fee based on EIR			(400.14)	(404.45)
Total adjusted borrowings (excluding loans repayable on demand)			**1,92,435.66**	**1,66,161.31**

21 Subordinated Liabilities

(Rs. in lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Unsecured		
At Amortised Cost		
Redeemable non-convertible debentures	3,000.00	3,000.00
Total	**3,000.00**	**3,000.00**

(Rs. in lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Debt securities in India	3,000.00	3,000.00
Debt securities outside India	-	-
Total	**3,000.00**	**3,000.00**

(Rs. in lakhs)

Rate of interest	Maturity	As at 31 March 2025	As at 31 March 2024
9.50% subordinated, unsecured, rated, unlisted, fully paid up, taxable, 200 redeemable non-convertible debentures of Rs.1,000,000 at par on 05 January 2028	Within 1-5 years	2,000.00	2,000.00
9.50% subordinated, unsecured, rated, unlisted, fully paid up, taxable, 1000 redeemable non-convertible debentures of Rs.1,000,00 at par on 15 June 2028	Within 1-5 years	1,000.00	1,000.00

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22 Other financial liabilities

(Rs. in lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Interest accrued but not due on borrowings	223.05	181.41
Interest accrued but not due on debt securities	-	195.04
Interest accrued but not due on subordinate liabilities	17.01	16.36
Subsidy received from NHB pending transfer to customer *	2.46	2.46
Lease liabilities	390.19	445.41
Employee benefits payable	1.81	1.29
Total	**634.52**	**841.97**

* Pertain to credit linked subsidy and interest subvention scheme subsidy received from NHB, pending credit in respective applicant account.

23 Provisions

(Rs. in lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Unfunded		
Provision for employee benefits - Gratuity (also refer note 43)	95.38	94.30
Provision for employee benefits - Leave encashment.	146.21	84.53
Provision for employee benefits -Provision on Loan commitment	5.06	6.12
Total	**246.65**	**184.95**

24 Other non-financial liabilities

(Rs. in lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Statutory dues	585.36	130.61
Advances from customers	15.26	145.34
Unspent CSR	195.29	14.92
Total	**795.91**	**290.87**

25 Share capital

(a) Equity share capital

(i) Details of authorised, issued, subscribed and paid up share capital

(Rs. in lakhs)

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of shares	Amount	No. of shares	Amount
Authorised share capital				
Equity shares of Rs 10 each	20,00,00,000	20,000.00	20,00,00,000	20,000.00
Preference share capital of Rs. 100 each	13,00,00,000	1,30,000.00	13,00,00,000	1,30,000.00
Issued, subscribed and paid up		**1,50,000.00**		**1,50,000.00**
Equity shares of Rs 10 each, fully paid up	3,14,55,933	3,145.59	1,00,000	10.00
Total		**3,145.59**		**10.00**

(ii) Rights preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Shares in the Company held by each shareholders holding more than 5 percent shares:

(Rs. in lakhs)

Name of shareholder	As at 31 March 2025		As at 31 March 2024	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Ananyashree Birla	3,14,45,933	99.96%	90,000	90.00%

(iv) Reconciliation of number and amount of shares outstanding:

(Rs. in lakhs)

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of shares	Amount	No. of shares	Amount
Equity shares				
Shares outstanding at the beginning of the period	1,00,000	10.00	1,00,000	10.00
Shares issued during the period	3,13,55,933	3,135.59	-	-
Shares outstanding at the end of the year/ period	**3,14,55,933**	**3,145.59**	**1,00,000**	**10.00**

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Svatantra Holdings Private Limited

v) Disclosure of Shareholding of Promoters

Disclosure of shareholding of promoters as at 31 March 2025 is as follows

Name of the Promoters	As at 31 March 2025		As at 31 March 2024		% change
	Nos.	% Holding	Nos.	% Holding	
Ananyashree Birla	3,14,45,933	99.96%	90,000	90.00%	9.96%
Anil Chirania	5,000	0.02%	5,000	5.00%	-4.98%
Shriram Jagetiya	5,000	0.02%	5,000	5.00%	-4.98%

(vi) Shares issued for consideration other than cash

The Company has not issued/ allotted any shares pursuant to contracts without payment being received in cash, nor issued any bonus shares nor there has been buy back of shares since incorporation i.e. 11 May 2018.

(b) **(i) Instruments entirely equity in nature**

(Rs. in lakhs)

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of shares	Amount	No. of shares	Amount
6 % Compulsory convertible non cumulative preference shares (CCPS) of Rs. 100 each fully paid up	12,14,00,000	1,21,400.00	12,14,00,000	1,21,400.00

(ii) Rights preferences and restrictions attached to preference shares

The CCPS shall carry a fixed rate of dividend of 6% on the capital paid up thereon calculated on a proportionate basis from the date of allotment. The payment of dividend on CCPS will be on non-cumulative basis. The CCPS shall be compulsorily convertible into equity shares of the Company after the expiry of 10 years from the date of allotment of CCPS in the ratio of 10:1 i.e. 1 CCPS of Rs. 100 each fully paid up shall be convertible into 10 Equity shares of Rs. 10 each fully paid up. The CCPS will carry preferential rights vis-a-vis Equity Shares of the Company with respect to payment of dividend or repayment of capital during winding up. The CCPS holders shall not be entitled to participate in the surplus funds of the Company. The CCPS holders shall be non-participating in the surplus assets and profits on winding up which may remain after the entire capital has been repaid. The CCPS holders shall carry voting rights as per the provisions of Memorandum and Articles of the Company. All other terms, conditions and rights of the preference shareholders shall be subject to the provisions of the Memorandum and Article of Association of the Company and the Companies Act, 2013.

(iii) Reconciliation of number and amount of shares outstanding:

(Rs. in lakhs)

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the period	12,14,00,000	1,21,400.00	11,64,00,000	1,16,400.00
Shares issued during the period	-	-	50,00,000	5,000.00
Shares outstanding at the end of the period	**12,14,00,000**	**1,21,400.00**	**12,14,00,000**	**1,21,400.00**

Allotment details	Allotment date	Amount
10,000,000 CCPS of Rs.100 each	28-Sep-18	10,000.00
22,500,000 CCPS of Rs.100 each	28-Sep-18	22,500.00
4,00,000 CCPS of Rs.100 each	12-Dec-18	400.00
5,000,000 CCPS of Rs.100 each	03-Sep-19	5,000.00
2,500,000 CCPS of Rs.100 each	31-Dec-19	2,500.00
3,500,000 CCPS of Rs.100 each	06-Feb-20	3,500.00
4,000,000 CCPS of Rs.100 each	30-Mar-20	4,000.00
6,500,000 CCPS of Rs.100 each	30-Sep-20	6,500.00
12,500,000 CCPS of Rs.100 each	30-Mar-21	12,500.00
7,500,000 CCPS of Rs.100 each	30-Sep-21	7,500.00
10,000,000 CCPS of Rs.100 each	31-Dec-21	10,000.00
9,500,000 CCPS of Rs.100 each	29-Mar-22	9,500.00
2,500,000 CCPS of Rs.100 each	07-Oct-22	2,500.00
12,500,000 CCPS of Rs.100 each	29-Dec-22	12,500.00
7,500,000 CCPS of Rs.100 each	31-Mar-23	7,500.00
5,000,000 CCPS of Rs.100 each	30-Dec-23	5,000.00
		1,21,400.00

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(iv) Shares in the Company held by each shareholders holding more than 5 percent shares:

Name of shareholder	As at 31 March, 2025		As at 31 March, 2024	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
IGH Holdings Private Limited	12,14,00,000	100.00%	12,14,00,000	100.00%
Total	**12,14,00,000**	**100.00%**	**12,14,00,000**	**100.00%**

v) Disclosure of Shareholding of Promoters

There is no promoters shareholding in preference share capital as at 31 March 2025 and as at 31 March 2024.

26 Other equity

(Rs. in lakhs)

Particulars	Notes	As at 31 March 2025	As at 31 March 2024
Securities premium	26.2	564.22	-
Statutory reserve under Section 29C of the NHB Act, 1987	26.3	2,438.17	1,723.05
Impairment reserves	26.4	597.55	597.55
Retained earnings	26.5	6,634.40	19,148.39
		10,234.34	**21,468.99**

26.1

(Rs. in lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Securities premium		
Opening balance	-	-
Add: Premium received on issue or conversion of shares	564.41	-
Less: Share issue expenses (net of taxes)	(0.19)	-
Closing balance	**564.22**	**-**
Statutory reserves under Section 29C of the NHB Act, 1987		
Opening balance	1,723.05	1,096.67
Add: Current year transfer	715.12	626.38
Closing balance	**2,438.17**	**1,723.05**
Impairment reserves		
Opening balance	597.55	597.55
Add: Current year transfer	-	-
Closing balance	**597.55**	**597.55**
Retained earnings		
Opening balance	19,148.39	55,487.73
Add: Transferred from Statement of profit and loss	10,319.27	2,262.20
Less: Transfer to statutory reserves	(715.12)	(626.38)
Less: Stamp duty on issue of 6% Compulsorily convertible non cumulative preference shares	-	(0.25)
Less: Dividend Paid	(5,188.60)	-
Less: Derecognition of share of Profit/(Loss) of Associate Company on dilution	(244.50)	
Items of other comprehensive income recognised directly in retained earnings		
Add: Other comprehensive (loss)/income for the year	(16,685.03)	(37,974.91)
Closing balance	**6,634.40**	**19,148.39**

26.2 Securities premium

Securities premium is credited when shares are issued at premium. It can be used to issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs etc.

26.3 Statutory reserves under Section 29C of the NHB Act, 1987

As per Section 29C of National Housing Bank Act (NHB), 1987, the Company is required to transfer at least 20% of its net profits every year to a reserve before any dividend is declared. For this purpose, any Special Reserves created by the Subsidiary Company under Section 36(1)(viii) of the Income Tax Act, 1961 is considered to be an eligible transfer. Thus, during the year ended 31 March 2022 and year ended 31 March 2023, the Subsidiary Company has transferred to Statutory Reserves, an amount arrived in accordance with Section 29C of the NHB Act, 1987.

26.4 Impairment Reserves as per RBI notification

As per DOR (NBFC).CC.PD.No.109/22.10.106/2019-20, where impairment allowance under Ind AS 109 is lower than the provisioning required under IRACP (including standard asset provisioning), NBFCs/ARCs shall appropriate the difference from their net profit or loss after tax to a separate 'Impairment Reserves'. The balance in the 'Impairment Reserves' shall not be reckoned for regulatory capital. Further, no withdrawals shall be permitted from this reserves without prior permission from the Department of Supervision, RBI.

26.5 Retained earnings

Retained earnings pertain to the accumulated earnings / losses, including other comprehensive income, made by the Group over the years.

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27 Interest income

(Rs. in lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
On financial assets measured at amortised cost		
Interest on loans	27,468.11	22,585.87
Interest on deposits with banks	267.94	624.45
Interest of corporate deposit	-	420.12
Other interest income	217.05	174.95
Total	**27,953.10**	**23,805.39**

28 Fees and commission income

(Rs. in lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Service fees and facilitation charges	104.82	93.39
Total	**104.82**	**93.39**

29 Dividend Income

(Rs. in lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Dividend Received	5,186.16	-
Total	**5,186.16**	**-**

30 Net gain on fair value changes

(Rs. in lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Net gain on financial instruments at fair value through profit or loss		
- Investments in mutual funds	476.78	176.70
	476.78	**176.70**
Total net gain on fair value changes		
Fair Value changes:		
-Realised	476.43	189.67
-Unrealised	0.35	(12.97)
Total net gain on fair value changes	**476.78**	**176.70**

31 Other income

(Rs. in lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Interest income		
On financial assets measured at amortised cost		
Other interest income	0.06	-
Income from advertisement	165.00	264.32
Unwinding interest income	4.96	3.77
Gain/ (loss) on termination of lease (net)	-	2.25
Miscellaneous income	13.76	9.69
Total	**183.78**	**280.03**

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Svatantra Holdings Private Limited

27 Interest income

(Rs. in lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
On financial assets measured at amortised cost		
Interest on loans	27,468.11	22,585.87
Interest on deposits with banks	267.94	624.45
Interest of corporate deposit	-	420.12
Other interest income	217.05	174.95
Total	**27,953.10**	**23,805.39**

28 Fees and commission income

(Rs. in lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Service fees and facilitation charges	104.82	93.39
Total	**104.82**	**93.39**

29 Dividend Income

(Rs. in lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Dividend Received	5,186.16	-
Total	**5,186.16**	**-**

30 Net gain on fair value changes

(Rs. in lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Net gain on financial instruments at fair value through profit or loss		
- Investments in mutual funds	476.78	176.70
	476.78	**176.70**
Total net gain on fair value changes		
Fair Value changes:		
-Realised	476.43	189.67
-Unrealised	0.35	(12.97)
Total net gain on fair value changes	**476.78**	**176.70**

31 Other income

(Rs. in lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Interest income		
On financial assets measured at amortised cost		
Other interest income	0.06	-
Income from advertisement	165.00	264.32
Unwinding interest income	4.96	3.77
Gain/ (loss) on termination of lease (net)	-	2.25
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Total	**183.78**	**280.03**

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32 Finance costs

(Rs. in lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
On financial liabilities measured at amortised costs		
Interest on borrowings (other than debt securities)	15,566.93	13,319.03
Interest on debt securities	353.15	658.10
Interest on subordinate liabilities	285.00	285.40
Interest on lease liabilities	39.52	39.81
Bank charges and others	70.77	69.92
Total	**16,315.37**	**14,372.26**

33 Impairment on financial instruments

(Rs. in lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
On financial instrument measured at amortised cost		
Loans		
Impairment loss allowance	1,045.16	628.21
Bad Debts Written off	309.75	167.43
Total	**1,354.91**	**795.64**

34 Employee benefits expense

(Rs. in lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Salaries and wages	5,218.85	4,176.57
Gratuity and leave expenses	198.06	143.68
Contribution to provident and other funds	314.34	250.94
Staff welfare expenses	124.28	103.16
Total	**5,855.53**	**4,674.35**

35 Depreciation and amortisation

(Rs. in lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Depreciation of plant, property and equipment	212.40	152.79
Depreciation of Right of use assets	169.72	137.68
Amortisation of Intangible asset	9.47	11.59
Total	**391.59**	**302.06**

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36 Other expenses

(Rs. in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2024
Electricity expenses	21.84	13.78
Rent	37.08	23.86
Repairs and maintenance		
- Others	24.74	14.28
Insurance	19.85	19.70
Rates and taxes	0.16	18.21
Payments to auditors (Refer Note below)	27.50	21.41
Computer and software expenses	174.41	137.10
Communication expenses	75.66	62.38
Professional, legal and consultancy fees	239.51	261.78
Printing and stationery	104.86	100.37
Travelling, conveyance and boarding expenses	583.82	478.99
Advertising and marketing expenses	19.22	12.75
Corporate social responsibility	50.20	34.45
Brokerage and commission	9.17	9.00
Miscellaneous expenses	312.45	199.42
Total	**1,700.47**	**1,407.48**
Note: Payments to auditors		
Audit fees	23.20	16.39
Certification work	4.30	4.90
Reimbursement of expenses	-	0.12
	27.50	**21.41**

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37 Tax expense

(Rs. in lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Current tax expense		
Current tax for the year	878.00	739.89
Total	**878.00**	**739.89**
Deferred taxes		
Relating to origination and reversal of temporary differences	(245.94)	(163.70)
Change in deferred tax liabilities		
Net deferred tax expense	**(245.94)**	**(163.70)**
Earlier year tax adjustment		
Earlier year tax adjustments	-	(34.67)
Total income tax expense	**632.06**	**541.52**

37.1 Tax reconciliation

(Rs. in lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Profit before income tax expense	**8,286.77**	**2,803.72**
Statutory income tax rate	25.1680%	25.1680%
Tax at statutory income tax rate	2,085.61	705.63
Tax effect of amounts which are not deductible / not taxable in calculating taxable income		
Tax impact on expenses which is non deductible	12.63	13.14
Tax impact on deduction under Section 36(1)(viii) of the Income Tax Act, 1961	(179.98)	(157.65)
Earlier year tax adjustments	-	(34.67)
Tax on Exempted Income	(1,305.25)	-
Others	92.68	16.83
Business loss on which deferred tax was not created	-	(1.76)
Impact of difference in tax rate on certain items	0.10	-
Tax impact on non deductible items / additional deductible	(73.74)	-
Income tax expense	**632.06**	**541.52**

37.2 Deferred tax movement related to the following:

1 April 2024 to 31 March 2025

(Rs. in lakhs)

Deferred tax assets (net)	As at 31 March 2024	Recognised in Statement of Profit and Loss	Recognised in OCI	Recognized in equity	As at 31 March 2025
Deferred tax asset on account of:					
Provision for impairment of assets	362.47	245.77	-	-	608.24
Provision for employee benefits	45.01	17.38	(1.59)	-	60.80
Share issue expenses	7.39	(2.67)	-	-	4.72
Timing difference on depreciation on property plant and equipment	39.00	22.93	-	-	61.93
Transaction costs on Loans	401.73	(26.11)	-	-	375.62
Unearned processing fee	7.42	(5.93)	-	-	1.49
Lease liabilities	4.21	(10.07)	-	-	(5.86)
	867.23	**241.30**	**(1.59)**	**-**	**1,106.94**
Deferred tax liability on account of:					
Fair value gain / (loss) on investments	(5,609.27)	1.45	(5,607.73)	-	(0.09)
Transaction costs on borrowings	(103.89)	3.19	-	-	(100.70)
Modification (restructuring) gain on financial assets	(4.16)	-	-	-	(4.16)
	(5,717.32)	**4.64**	**(5,607.73)**	**-**	**(104.95)**
	(4,850.09)	**245.94**	**5,606.14**	**-**	**1,001.99**

1 April 2023 to 31 March 2024

(Rs. in lakhs)

Deferred tax assets (net)	As at 31 March 2023	Recognised in Statement of Profit and Loss	Recognised in OCI	Recognized in equity	As at 31 March 2024
Deferred tax asset on account of:					
Provision for impairment of assets	258.23	104.24	-	-	362.47
Provision for employee benefits	61.58	(19.08)	2.51	-	45.01
Share issue expenses	4.66	(3.25)	-	5.98	7.39
Timing difference on depreciation on property plant and equipment	21.77	17.23	-	-	39.00
Transaction costs on Loans	343.18	58.55	-	-	401.73
Unearned processing fee	-	7.42	-	-	7.42
Lease liabilities	-	4.21	-	-	4.21
	689.42	**169.32**	**2.51**	**5.98**	**867.23**
Deferred tax liability on account of:					
Fair value gain / (loss) on investments	(18,381.97)	3.25	(12,769.45)	-	(5,609.27)
Transaction costs on borrowings	(94.49)	(9.40)	-	-	(103.89)
Modification (restructuring) gain on financial assets	(4.16)	-	-	-	(4.16)
Unearned processing fee	(0.31)	0.31	-	-	-
Lease liabilities	(0.22)	0.22	-	-	-
	(18,481.15)	**(5.62)**	**(12,769.45)**	**-**	**(5,717.32)**
	(17,791.73)	**163.70**	**12,771.96**	**5.98**	**(4,850.09)**

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38 Earnings per share

(Rs. in lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Net profit/ (loss) attributable to equity holders	10,319.27	2,262.20
Weighted average number of equity shares outstanding (numbers) - Basic and diluted*	1,21,44,29,533	1,17,67,04,918
Earnings per share		
Basic earning per share (Rs.)	0.85	0.19
Diluted earning per share (Rs.)	0.85	0.19
Nominal value per share (Rs.)	10.00	10.00

* Weighted average number of equity shares outstanding as at 31 March 2025 includes compulsorily convertible non cumulative preference shares

39 Related party disclosures

Related party disclosures as required under Indian Accounting standard 24, " Related party disclosure" are given below.

39.1 List of related parties

Nature of relationship	Name of related party
Key Managerial Personnel (KMP)	Ms. Ananyashree Birla, Chairperson Mr. Anil Chirania, Director Mr. Shriram Jagetiya, Director Mr. Vineet Chattree, Director (upto 27 September 2024) Mr. Jayesh Shah,Chief Executive Officer (w.e.f from 30 June 2023 and upto 31 October 2024) and Whole time Director (w.e.f 12 February 2024) Mr. Nitesh Amarnani, Chief Financial Officer (w.e.f 9 August 2024) Mr. Sahil Mehta, Chief Financial Officer (upto 14 February 2024) Ms. Tasneem Rangwala, Company Secretary

39.2 Transactions during the period with related parties :

(Rs. in lakhs)

Transactions with	Nature of transactions	Year ended 31 March 2025	Year ended 31 March 2024
Mr. Jayesh Shah	Remuneration	62.26	62.13
Mr. Deepabh Jain	Remuneration	67.18	-
Mr. Sahil Mehta	Remuneration	-	70.40
Mr. Nitesh Amarnani	Remuneration	15.10	-
Ms. Tasneem Mandsorwala	Remuneration	20.57	15.39

Note:

1. Employee benefits in relation to gratuity are calculated at the Company level and hence not considered in above disclosure.

40 Capital management

For the purpose of the Group's capital management, capital includes issued equity and preference capital and all other equity reserves attributable to the equity holders of the Holding Company. The primary objective of the Group's capital management is to maximise the shareholder value. The Group manages its capital to ensure that it will continue as going concern while maximising the return to stakeholders. The Group manages its capital structure and makes adjustment in light of changes in business condition. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep optimum gearing ratio. The Group includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations..

The Group policies in respect of capital management is regularly reviewed by Board of Directors.

(Rs. in lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Debt securities	-	5,801.65
Borrowings	1,92,435.66	1,66,161.31
Subordinated liabilities	3,000.00	3,000.00
Trade and other payables	387.62	271.26
Other financial liabilities	634.52	841.97
Less: cash and cash equivalents	(5,941.47)	-7,095.34
Net debt (A)	**1,90,516.33**	**1,68,980.85**
Equity share capital	3,145.59	10.00
Instruments entirely equity in nature	1,21,400.00	1,21,400.00
Other equity	10,234.34	21,468.99
Total member's capital (B)	**1,34,779.93**	**1,42,878.99**
Capital and net debt (C=A+B)	**3,25,296.26**	**3,11,859.84**
Gearing ratio (%) (A/C)	**58.57**	**54.18**

The Group has complied in full with all its externally imposed capital requirements over the reported period.

Loan covenants

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets the financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breach in meeting these financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any borrowing in the current period. Loan covenants mainly include minimum CRAR of 25% (Previous year 25%), ratio of total outstanding liability to total net worth to be less than or equal to 6 times (previous year 6 times) etc.

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Svatantra Holdings Private Limited

41 Fair value measurement

41.1 Financial instruments by category

(Rs. in lakhs)

Particulars	Category	As at 31 March 2025	As at 31 March 2024
Financial assets:			
Cash and cash equivalents	Amortised Cost	5,941.47	7,095.34
Bank balance other than cash and cash equivalents	Amortised Cost	2,625.34	2,478.92
Loans	Amortised Cost	2,24,292.10	2,01,257.23
Investments	FVTPL	3,976.65	139.26
Investments	FVOCI	-	91,781.22
Investments	At Cost	71,903.76	-
Other financial assets	Amortised Cost	384.72	206.82
Total financial assets		**3,09,124.04**	**3,02,958.79**
Financial liabilities:			
Trade payables	Amortised Cost	43.83	17.47
Other payables	Amortised Cost	343.79	253.79
Debt securities	Amortised Cost	-	5,801.65
Borrowings (other than debt securities)	Amortised Cost	1,92,435.66	1,66,161.31
Subordinated liabilities	Amortised Cost	3,000.00	3,000.00
Other financial liabilities	Amortised Cost	244.33	396.56
Lease liabilities	Amortised Cost	390.19	445.41
Total financial liabilities		**1,96,457.80**	**1,76,076.19**

41.2 Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities. The financial instruments are categorized into three levels based on the inputs used to arrive at fair value measurements as described below:

Quoted prices in an active market (Level 1): Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Valuation techniques with observable inputs (Level 2): The fair value of financial instruments that are not traded in an active market (for example over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Valuation techniques with significant unobservable inputs (Level 3): If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unquoted preference shares and unquoted equity shares (rights) carried at FVTPL and unquoted equity securities carried at FVTOCI included in level 3.

(Rs. in lakhs)

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2025:			Fair value measurement using		
Particulars	**Date of valuation**	**Total**	**Quoted prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Financial Instruments measured at fair value:					
Investments at fair value through profit and loss (Note 6)					
Investments in mutual fund	31 March 2025	3,976.65	-	3,976.65	-
Investments at fair value through OCI (Note 6)					
Investments in unquoted equity shares	31 March 2025	-	-	-	-
Investments in unquoted Compulsorily Convertible Non-Cumulative preference shares	31 March 2025	-	-	-	-

There have been no transfers between Level 1 and Level 3 during the period.

Reconciliation of deferred Day 1 gain/(loss) (Rs. in lakhs)

Particulars	31-Mar-25	31-Mar-24
Opening balance	-	15,028.17
Add: Deferred during the year	-	-
Less: recongnised during the year	-	(15,028.17)
Closing balance	-	-

As at 31 March 2025, the Company has deferred gain of Rs. Nil (previous year Rs. Nil Lakhs) arises on initial measurement of financial assets for which the Level 3 fair value inputs have been used. The Company will recognise aforesaid deferred gain only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

(Rs. in lakhs)

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2024:			Fair value measurement using		
Particulars	**Date of valuation**	**Total**	**Quoted prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Financial Instruments measured at fair value:					
Investments at fair value through profit and loss (Note 6)					
Investments in mutual fund	31 March 2024	139.26	139.26	-	-
Investments at fair value through OCI (Note 6)			-		
Investments in unquoted equity shares	31 March 2024	27,273.00	-	-	27,273.00
Investments in unquoted Compulsorily Convertible Non-Cumulative preference shares*	31 March 2024	64,508.22	-		64,508.22

There have been no transfers between Level 1 and Level 3 during the period.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

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Unquoted equity shares fair values have been arrived as per methods prescribed under Ind AS 113 Fair Value Measurement.
The valuation of unquoted preference shares requires management to make certain assumptions about the model inputs, including forecast of cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted preference shares and bonds. In case of instruments having option to convert with the Group, the management has assigned probable likelihood of conversion depending on equity stake in the target entity, domain of operation and liquidity. Wherever, the probability is low, valuation has been done based on redemption assumptions.

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

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2025 and March 31, 2024 are as shown below:

Description of significant unobservable inputs to valuation: (Rs. in lakhs)

Particulars	Valuation Technique	Significant unobservable inputs	Range	Sensitivity of the input to fair value
Investments in Unquoted Equity Instruments	DCF method (income approach)	Discount Rate as per Capital Asset Pricing Model	31 March 2024 CAPM Rate 12.40%	Fair Value when Interest Rate increases by 1% as on 31 March 2024 - ₹ 2,52,90.00 Lakhs Fair Value when Interest Rate decrease by 1% as on 31 March 2024 - ₹ 2,93,60.00 Lakhs
Investments in unquoted Compulsorily Convertible Non-Cumulative preference shares	DCF method (income approach)	Discount Rate as per Capital Asset Pricing Model	31 March 2024 CAPM Rate 12.40%	Fair Value when Interest Rate increases by 1% as on 31 March 2024 - ₹ 5,98,17.87 Lakhs Fair Value when Interest Rate decrease by 1% as on 31 March 2024 - ₹ 6,94,46.92 Lakhs

41.4 Financial assets and liabilities measured at amortised cost at each reporting date

The carrying value of cash and cash equivalents, other bank balances, other financial assets, trade payables and other payables and other financial liabilities are considered to be approximately equal to the fair value due to their short term maturities.

(Rs. in lakhs)

Particulars	As at 31-Mar-25		As at 31-Mar-24	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets measured at amortised cost				
Cash and cash equivalent	5,941.47	5,941.47	7,095.34	7,095.34
Bank balance other than cash and cash equivalents	2,625.34	2,625.34	2,478.92	2,478.92
Investments	75,880.41	75,880.41	91,920.48	91,920.48
Loans	2,24,292.10	2,25,784.62	2,01,257.23	2,02,853.43
Other financial assets	384.72	384.72	206.82	206.82
Total financial assets	**3,09,124.04**	**3,10,616.56**	**3,02,958.79**	**3,04,554.99**
Financial liabilities:				
Trade payables	43.83	43.83	17.47	17.47
Other payables	343.79	343.79	253.79	253.79
Debt securities	-	-	5,801.65	6,048.48
Borrowings (other than debt securities)	1,92,435.66	1,92,835.80	1,66,161.31	1,66,565.76
Subordinated liabilities	3,000.00	3,058.46	3,000.00	3,108.15
Other financial liabilities	634.52	634.52	841.97	841.97
Total financial liabilities	**1,96,457.80**	**1,96,916.40**	**1,76,076.19**	**1,76,835.63**

i) Loans - All the loans given are at variable rate of interest and hence, the fair value of floating rate loans are deemed to be equivalent to the carrying value.

ii) Borrowings - In case of floating rate borrowings its fair value are deemed to be equivalent to the carrying value adjusted with un-amortize transaction cost.
In case of fixed rate borrowings the fair value are considered equivalent to the carrying value as there is no material difference in interest rates.

iii) Debt securities are fixed liabilities - The fair value of debt securities are determined by discounting expected future contractual cash flows using current market interest rates charged for similar new loans (Level 3 inputs).

iv) Subordinated Liabilities - The fair value of subordinated Liabilities are determined by discounting expected future contractual cash flows using current market interest rates charged for similar new loans (Level 3 inputs).

42 Financial risk management

Risk Management
The Group is exposed to certain financial risks namely credit risk, liquidity risk and market risk i.e. interest risk, foreign currency risk and price risk. The Group's primary focus is to achieve better predictability of financial markets and minimize potential adverse effects on its financial performance by effectively managing the risks on its financial assets and liabilities.

The Principal objective in Group's risk management processes is to measure and monitor the various risks associated with the Group's and to follow policies and procedures to address such risks. The group 's risk management framework is driven by its Board and its sub-committees including the Audit Committee, the Asset Liability Management Committee and the Risk Management Committee. The Group gives due importance to prudent lending practices and have implemented suitable measures for risk mitigation, which include verification of credit history from credit information bureaus, personal verification of a customer's business and residence, valuation of collateral, technical and legal verifications, conservative loan to value, and required term cover for insurance.

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A Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at a reasonable price. For the Group, liquidity risk arises from obligations on account of financial liabilities –debt securities, borrowing, trade payables and other financial liabilities. The Group manages liquidity risk by maintaining adequate cash reserves by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The tables below summarises the maturity profile of the undiscounted cash flows of the Group's financial liabilities:

As at 31 March 2025 (Rs. in lakhs)

Particulars	Within 1 year	1 - 5 years	5 - 10 years	Beyond 10 years	Total
Trade payables	43.83	-	-	-	43.83
Other payables	343.79	-	-	-	343.79
Debt securities*	-	-	-	-	-
Borrowings (other than debt securities)*	67,364.20	1,52,692.60	11,887.21	-	2,31,944.01
Subordinated liabilities*	285.00	3,563.23	-	-	3,848.23
Lease liabilities*	179.11	261.47	-	-	440.58
Other financial liabilities	240.06	-	-	-	240.06
Total	**68,455.99**	**1,56,517.31**	**11,887.22**	**-**	**2,36,860.52**

***Includes interest payment**

As at 31 March 2024 (Rs. in lakhs)

Particulars	Within 1 year	1 - 5 years	5 - 10 years	Beyond 10 years	Total
Trade payables	17.47	-	-	-	17.47
Other payables	253.79	-	-	-	253.79
Debt securities*	6,355.57	-	-	-	6,355.57
Borrowings (other than debt securities)*	57,747.99	1,31,372.44	11,068.92	-	2,00,189.36
Subordinated liabilities*	284.61	3,848.23	-	-	4,132.84
Lease liabilities*	211.41	363.76	46.17	-	621.35
Other financial liabilities	392.81	-	-	-	392.81
Total	**65,263.65**	**1,35,584.44**	**11,115.10**	**-**	**2,11,963.19**

***Includes interest payment**

B Market risk

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign currency rates. The Group is not exposed to foreign currency exposure.

(ii) Interest rate risk

The Group is subject to interest rate risk, since the rates of loans and borrowing might fluctuate over the tenure of instrument. Interest rates are highly sensitive to many factors beyond control, including the monetary policies of the Reserve Bank of India, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. In order to manage interest rate risk, the Group seek to optimize borrowing profile between short-term and long-term loans. The liabilities are categorized into various time buckets based on their maturities and Asset Liability Management Committee supervise an interest rate sensitivity report periodically for assessment of interest rate risks. Loans given to customers are at floating rate of interest.

Details of loans and borrowings

(Rs. in lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Loans (variable)	2,24,292.10	2,01,257.23
Total loans (variable)	**2,24,292.10**	**2,01,257.23**
Borrowings and debt securities		
Borrowings (variable)	1,75,105.58	1,43,817.59
Borrowings (Fixed)	17,330.08	22,343.72
Debt securities and subordinate Liabilities (fixed rate)	3,000.00	8,801.65
Total borrowings	**1,95,435.66**	**1,74,962.96**

Sensitivity analysis

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Group's Statement of profit and loss:

(Rs. in lakhs)

Interest rate sensitivity*	Impact on profit before tax	
	Year ended 31 March 2025	Year ended 31 March 2024
Loans		
Increase by 50 basis points	1,121.46	1,006.29
Decrease by 50 basis points	(1,121.46)	(1,006.29)
Borrowings		
Increase by 50 basis points	(875.53)	(719.09)
Decrease by 50 basis points	875.53	719.09

** Holding all other variables as constant*

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Price risk

Exposure

The Group's exposure price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit and loss. To manage the price risk arising from investments, the Company diversifies its portfolio of assets. The Company do not have any investment as on balance sheet date either at fair value through other comprehensive income or at fair value through profit and loss.

C Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, other bank balances, investments, loan assets and other financial assets. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

Credit risk management

Credit quality of assets

Credit risk is the single largest risk for the Group's business. Management therefore carefully manages its exposure to credit risk. A centralised risk management function oversees the risk management framework, which periodically presents an overview of credit risk of portfolio to the Risk Management Committee.

Credit-worthiness is checked and documented prior to signing any contracts, based on market information. Management endeavours to improve its underwriting standards to reduce the credit risk the Group is exposed to from time to time.

Expected Credit loss (ECL):

Credit Quality of Loans assets:

The following table sets out information about credit quality of loans measured at amortised cost based on days past due information. The amount represents gross carrying amount.

(Rs. in lakhs)

Particulars	31-Mar-25	31-Mar-24
Gross carrying value		
Stage 1	2,12,696.16	1,93,773.91
Stage 2	7,629.32	4,806.68
Stage 3	6,556.84	4,257.47
Total Gross carrying value as at reporting date	**2,26,882.32**	**2,02,838.06**

Management of credit risk for financial assets

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated deposits from banks and financial institutions across the country.

Other financial assets measured at amortized cost

Other financial assets measured at amortised cost includes loans and advances to employees security deposits insurance claim receivables and other recoverable. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

Loans

The Group closely monitors the credit-worthiness of the borrower's through internal systems and appraisal process to assess the credit risk and define credit limits of borrower thereby limiting the credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties. These processes include a detailed appraisal methodology identification of risks and suitable structuring and credit risk mitigation measures. The Group assesses increase in credit risk on an ongoing basis for amounts loan receivables that become past due and default is considered to have occurred when amounts receivable become 90 days past due.The Group has restructured or rescheduled in the terms of the certain loan accounts in the current year on account of COVID-19 related restructuring measures prescribed by the Reserve Bank of India. This has resulted in increased management estimation over determination of losses for such restructured loans.

Collective assessment of ECL

Since the Group is into retail lending business to rural and semi-urban areas which are are greater in number but lesser in value, there is no significant credit risk of any individual customer that may impact Group adversely, and hence the Group has calculated its ECL allowances on a collective basis. ECL assessment has been done on an individual basis on the Group's insignificant exposure on corporate and builder loans.

Inputs considered in the ECL model

Definition of default

The Company considers a financial instrument as defaulted and considers it as Stage 3 (credit-impaired) for expected credit loss (ECL) calculations, when the assets become more than 90 days past due on its contractual payments and these assets continue to be classified as Stage 3 till the entire overdues are received, in accordance with the RBI guidelines and the ECL Policy.

Exposure at default (EAD)

The EAD represents expected outstanding exposure subject to credit risk at the period/date, when default is considered. The Company does cash flow mapping based on contractual maturity for loans in Stage II, using the exposure at default in future years and the probability of default estimation based on macro variables. For stage I and stage III, as an approximation balance sheet outstanding is used.

Loss given default (LGD)

It is defined as the percentage risk of exposure that is not expected to be recovered in the event of default.

Based on an analysis of historical data, the Group has estimated the loss given default, using historical recovery experience and recovery cost. This is referred to as the workout method. Such recoveries are discounted using interest rate of the loans. While calculating LGD percentage, 100% recoveries are estimated for the cases where the recoveries are absolutely certain to happen within a short period of time.

Probability of Default (PD)

"Probability of default" (PD) is defined as the probability of whether the borrowers will default on their obligations in the future. For assets which are in Stage 1, a 12-month PD is required. For Stage 2 asset's a lifetime PD is required while Stage 3 assets are considered to have a 100% PD. Historical DPD data is utilized to calculate through the cycle PD. PD analysis tracks the migration behaviour of a static pool of loans active at the end of each year across different buckets- Current, 1-29 DPD, 30-59 DPD, 60-89 DPD, 90+ DPD for the 12 month and lifetime period.

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Forward looking information

Forward looking information is incorporated in the measurement of probability of default and consequently in measurement of ECL. The Vasicek model is used for converting the TTC (Through-the-Cycle) PD into FC (Forecast) PD. The model calculates an AC (Asset Correlation) factor and converts the probability using the macro-economic variable selected which is GDP growth rate. Based on the consideration of a variety of external actual and forecast information, the Company forms a 'base case' view of the future direction of GDP growth rate as well as a representative range of other possible forecast scenarios. This process involves developing two or more additional economic scenarios and considering the relative probabilities of each outcome. The base case represents a most likely outcome while the other scenarios represent more optimistic and more pessimistic outcomes.

Further, in the global pandemic Covid 19, management overlays are applied in determining forward looking scenarios. It is considered by evaluating all relevant internal and reasonably available external data namely Industrial research by various credit rating agencies.

Significant increase in credit risk

An assessment of whether credit risk has increased significantly since initial recognition is performed at each reporting period by considering the change in the risk of default occurring over the remaining life of the loan exposure. However, unless identified at an earlier stage, the Group have determined all assets are deemed to have suffered a significant increase in credit risk when 30 days past due.

The Group have also conducted a quantitative assessment of significant increase in credit risk (SICR) of the loan portfolio with respect to the covid 19 pandemic scenario, based on analysis of percentage increase in probability of default.

Policy for write off of Loan Assets

The gross carrying amount of a financial asset is written off when there is no realistic prospect of further recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in Statement of Profit or Loss.

Collateral

The Group holds collateral to mitigate credit risk associated with financial assets. The main types of collateral include residential properties. The collateral presented relates to instruments (individual loans) that are measured at amortised cost.

(Rs. in lakhs)

Particular	Category of Collateral	As at 31 March 2025	As at 31 March 2024
Financial Assets-Loans*	Properties (amount of collateral)	4,78,532.86	3,99,252.22

***Collateral held against Stage 3 Assets of Rs 17,780.74 Lakhs (as at 31 March 2023 Rs. 10,414.89 Lakhs)**

Credit Risk exposure

i) Expected credit losses for financial assets other than loans and investments measured at Fair value

(Rs. in lakhs)

As at 31 March 2025	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	5,941.47	-	5,941.47
Bank balances other than cash and cash equivalents	2,625.34	-	2,625.34
Security deposits	245.74	-	245.74
Other financial assets	97.90	-	97.90

(Rs. in lakhs)

As at 31 March 2024	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	7,095.34	-	7,095.34
Bank balances other than cash and cash equivalents	2,478.92	-	2,478.92
Security deposits	87.07	-	87.07
Other financial assets	77.35	-	77.35

ii) Expected credit loss for loans

Changes in the gross carrying amount and the corresponding ECL allowances in relation to loans from beginning to end of reporting period:

(Rs. in lakhs)

Particulars	Stage 1	Stage 2	Stage 3
Gross carrying amount as at April 1, 2023	**1,45,965.05**	**3,449.41**	**3,145.80**
Assets originated	**1,00,520.65**	**713.06**	**114.41**
Net transfer between stages			
Transfer to stage 1	1,285.52	(1,044.27)	(241.25)
Transfer to stage 2	(3,662.88)	3,696.16	(33.28)
Transfer to stage 3	(1,269.17)	(1,109.10)	2,378.27
Assets derecognised or collected (excluding write offs)	(49,065.26)	(898.58)	(1,106.48)
Gross carrying amount as at March 31 2024	**1,93,773.91**	**4,806.68**	**4,257.47**
Assets originated	**56,585.41**	**223.27**	**37.61**
Net transfer between stages			
Transfer to stage 1	1,130.61	(974.80)	(155.81)
Transfer to stage 2	(5,524.22)	5,557.37	(33.15)
Transfer to stage 3	(2,248.46)	(1,111.80)	3,360.26
Assets derecognised or collected (excluding write offs)	(31,021.09)	(871.40)	(909.54)
Gross carrying amount as at March 31 2025	**2,12,696.16**	**7,629.32**	**6,556.84**

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Reconciliation of loss allowance provision from beginning to end of reporting period:

(Rs. in lakhs)

Particulars	Stage 1	Stage 2	Stage 3*
Loss allowance as on April 1 2023	**232.31**	**152.56**	**711.38**
Assets originated	**161.10**	**185.04**	**504.71**
Net transfer between stages			
Transfer to stage 1	108.25	(51.00)	(57.25)
Transfer to stage 2	(10.09)	18.00	(7.91)
Transfer to stage 3	(4.64)	(42.56)	47.20
Assets derecognised or collected (excluding write offs)	(142.20)	(35.31)	(170.66)
Loss allowance as on March 31 2024	**344.73**	**226.73**	**1,027.47**
Assets originated	140.36	319.38	975.95
Net transfer between stages			
Transfer to stage 1	87.65	(46.22)	(41.43)
Transfer to stage 2	(23.85)	32.70	(8.85)
Transfer to stage 3	(7.13)	(56.39)	63.52
Assets derecognised or collected (excluding write offs)	(143.64)	(46.48)	(244.65)
Loss allowance as on March 31 2025	**398.12**	**429.72**	**1,772.01**

***1234 loan accounts in stage 3 as on 31 March 2025 (887 as on 31 March 2024).**

Concentration of loans

The Group monitors concentration of credit risk on the basis of housing/Non housing in which the borrower operates;

(Rs. in lakhs)

Concentration by type of loan	As at 31 March 2025	As at 31 March 2024
Housing	1,87,257.65	1,71,716.48
Non housing	39,634.30	31,139.68
Gross carrying Amount	**2,26,891.95**	**2,02,856.16**

C **Dividend Income risk**

Dividend income risk refers to the risk of changes in the Dividend income due to dip in the performance of the investee companies.

43 Retirement benefit plans

(A) Defined benefit obligation

The Group has the following defined benefits plans:

Particulars

The Group has a defined benefit gratuity plan. Every employee who has completed five years of service is eligible for a gratuity on separation at 15 days basic salary (last drawn salary) for each completed year of service. The scheme is funded with the insurance companies in the form of qualifying insurance policy

During the year 2023-24 the Group created "Svatantra Micro Housing Finance Corporation Limited Employees' Group Gratuity Fund". The Trust is recognised by income tax authorities and administered through trustees. Contributions to the Trust are invested in a scheme with a insurance Company as permitted by law in India.

The following tables summaries the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the gratuity plan. Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

1. A. Actuarial Risk:
It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:
Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

2. Investment Risk:
For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

3. Liquidity Risk:
Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cashflows.

4. Market Risk:
Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

5. Legislative Risk:
Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

As per Ind AS-19 'Employee Benefits', the disclosure of Employee benefits as defined in the Standard are given below:

In accordance with Indian Accounting Standard 19, actuarial valuation was done in respect of the aforesaid defined benefit plan of gratuity based on the following assumptions:

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	Particulars	As at 31 March 2025	As at 31 March 2024
43.1	**Actuarial assumptions**		
	Mortality rate	Indian Assured Lives(2012-14) Ultimate Mortality Rates	Indian Assured Lives(2012-14) Ultimate Mortality Rates
	Discount rate (per annum)	6.93%	7.21%
	Rate of salary increase	7.50%	7.50%
	Withdrawal (Rate of employee turnover)	1% at all ages	1% at all ages

(Rs. in lakhs)

	Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
43.2	**Changes in the present value of defined benefit obligation**		
	Present value of obligation at the beginning of the year	303.73	196.94
	Interest expense	21.90	14.77
	Current service cost	112.57	80.29
	(Benefit Paid From the Fund)	(11.97)	(7.74)
	(Benefit paid directly by the employer)	-	-
	Actuarial (gains) / losses on obligations - due to change in demographic assumptions	-	-
	Actuarial (gains) / losses on obligations - due to change in financial assumptions	20.38	15.33
	Actuarial (gains) / losses on obligations - due to experience	(23.78)	4.14
	Present value of obligation at the end of the year	**422.83**	**303.73**

43.3 **Change in fair value of plan assets:**

(Rs. in lakhs)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Plan assets at the beginning of the year	209.42	
Interest Income	15.10	
Expected return on plan assets	-	
Actual company contributions	100.00	200.00
Benefits paid	-	-
Actuarial Gain/(Loss) on Plan Assets	-	-
Return on Plan Assets, Excluding Interest Income	2.93	9.42
Plan assets at the end of the year	**327.45**	**209.42**

(Rs. in lakhs)

	Particulars	As at 31 March 2025	As at 31 March 2024
43.4	**Assets and liabilities recognised in the balance sheet**		
	Present value of the defined benefit obligation at the end of the year	422.83	303.73
	Funded status - deficit	(327.45)	(209.42)
	Net (liability) / asset recognised in the balance sheet	**95.38**	**94.30**

***Gratuity Provision is in excess of Fair Value of Assets as on March 31, 2025 as disclosed under "Note 23 - Provisions" is after netting off amount paid to trust**

43.5 **Expenses recognised in the Statement of Profit and Loss**

(Rs. in lakhs)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Current service cost	112.57	80.29
Net interest (income)/ expense	6.80	14.77
Net gratuity cost recognised in the current year	**119.37**	**95.06**

43.6 **Expenses recognised in the statement of Other comprehensive income (OCI)**

(Rs. in lakhs)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Actuarial loss/(gain) due to change in financial assumptions	20.38	15.33
Actuarial loss/ (gain) due to experience adjustments	(23.78)	4.14
Return on Plan Assets, Excluding Interest Income	(2.93)	(9.42)
Total remeasurement cost for the year recognised in OCI	**(6.33)**	**10.05**

43.7 **Reconciliation of net asset / (liability) recognised:**

(Rs. in lakhs)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Opening Net Liability	94.31	196.94
Expenses recognised at the end of period	119.37	95.06
Amount recognised in other comprehensive income	(6.33)	10.05
Benefit paid	(11.97)	(7.74)
Employer's Contribution	(100.00)	(200.00)
Net Liability/(Asset) Recognized in the Balance Sheet	**95.38**	**94.31**

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43.8 The Company intends to contribute to the trust the amount as per the actuarial valuation in the next year The major categories of plan assets as a percentage of fair value of total plan

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Investment with insurer	100%	100%

43.9 Sensitivity Analysis:

(Rs. in lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Delta effect of +1% change in rate of discounting	(355.56)	(254.84)
Delta effect of -1% change in rate of discounting	507.17	365.21
Delta effect of +1% change in rate of salary increase	505.81	364.39
Delta effect of -1% change in rate of salary increase	(355.32)	(254.55)

43.10 Maturity analysis of projected benefit obligation

(Rs. in lakhs)

Year	As at 31 March 2025	As at 31 March 2024
1 year	25.17	21.03
Sum of years 2 to 5	18.80	13.65
Sum of years 6 to 10	65.32	43.63
Sum of years 11 and above	1,625.40	1,325.11

(B) Defined contribution plan

The Group contributes towards provident fund for employees which is the defined contribution plan for qualifying employees. Under this Scheme, the Group is required to contribute specified percentage of the payroll cost to fund the benefits. The Group has recognised Rs. 314.34 Lakhs and Rs.250.94 Lakhs towards provident fund contributions in the Statement of Profit and Loss for the year ended 31 March 2025 and 31 March 2024, respectively.

44 Leases

Group as lessee

The Group's leased assets primarily consist of leases for office premises & guest houses. Leases of office premises and guest houses generally have lease term between 1 to 5 years. The Group has applied short term exemption for leases for premises accordingly are excluded from Ind AS 116.

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

(Rs. in lakhs)

Particulars	Total
As at 1 April 2023	**265.87**
Additions	312.33
Deletion during the year	(19.11)
Depreciation expenses for the year	(130.41)
As at March 31, 2024	**428.68**
Additions	154.51
Deletion during the year	-
Depreciation expenses for the year	(169.72)
As at March 31, 2025	**413.47**

(ii) Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

(Rs. in lakhs)

Particulars	Total
As at 1 April 2023	**265.00**
Additions	213.09
Accretion of interest	39.81
Deduction	79.41
Payment	(151.90)
As at March 31, 2024	**445.41**
Additions	97.95
Accretion of interest	39.52
Deduction	-
Payment	(192.69)
As at March 31, 2025	**390.19**

The Liquidity analysis of lease liabilities are disclosed in Note 42.
The effective interest rate for lease liabilities is 11%, with maturity between 2021-2026

(iii) The following are the amounts recognised in profit or loss:

(Rs. in lakhs)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation expense of right-of-use assets	169.72	137.68
Finance Cost on lease liabilities	39.52	39.81
*Expense relating to short-term leases (included in other expenses)	37.08	23.86
Expense relating to leases of low-value assets (included in other expenses)	-	-
Variable lease payments (if any, included in other expenses)	-	-

*** These leases are excluded from lease accounting under IndAS 116**
The Company had total cash outflows for leases of Rs.229.77 lakhs in FY 2024-25 (Rs.150.37 lakhs in FY 2023-24).

JMT & ASSOCIATES * MUMBAI FRN: 104167W * CHARTERED ACCOUNTANTS

Svatantra Holdings Private Limited

45 Segment information

45.1 Business segment

Operating segments are defined as components of an enterprise for which discrete financial information so available that is evaluated regularly by Chief Operating Decision Maker (CODM), in deciding how to allocate resources and assessing performance. The Group has considered business segment as reportable segment for disclosure. The products and services included in each of the reported business segments are as follows:

Segment	Activities
Housing Finance	Housing Finance
Investment Company	Investment Activity

Information about Business Segments

(Rs. in lakhs)

Segment Revenue	For the year ended 31 March 2025			For the year ended 31 March 2024		
	External	Inter-segment	Total	External	Inter-segment	Total
Housing Finance	28,307.35		28,307.35	24,068.78	-	24,068.78
Investment Company	5,413.51		5,413.51	6.70		6.70
Segment revenue	**33,720.86**		**33,720.86**	**24,075.48**	**-**	**24,075.48**
Less: Inter-Segment Revenue	-	-	-	-	-	-
Total Segment Revenue from Operations	**33,720.86**	**-**	**33,720.86**	**24,075.48**	**-**	**24,075.48**
Total Revenue from Operation	**33,720.86**	**-**	**33,720.86**	**24,075.48**	**-**	**24,075.48**

(Rs. in lakhs)

Segment Result (PBT)	For the year ended 31 March 2025	For the year ended 31 March 2024
Housing Finance	2,594.40	2,507.88
Investment Company	5,692.37	295.84
Total Segmental Results	**8,286.77**	**2,803.72**
Unallocated		
Profit Before Tax	**8,286.77**	**2,803.72**

Information about Business Segments

(Rs. in lakhs)

Segments Assets / Liabilities	Carrying Amount of Segment Assets (including Goodwill)		Carrying Amount of Segment Liabilities	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
Segments				
Housing Finance	2,55,928.93	2,32,356.96	1,77,699.15	1,61,600.89
Investment Company	73,946.08	91,924.13	19,801.21	19,801.21
Total Segment	**3,29,875.01**	**3,24,281.09**	**1,97,500.36**	**1,81,402.10**
Inter-Segment Elimination	-	-	-	-
Add/Less: Unallocated Corporate Assets / Liabilities	-	-	-	-
Total Segment Assets/Liabilities	**3,29,875.01**	**3,24,281.09**	**1,97,500.36**	**1,81,402.10**
Total Assets/Liabilities	**3,32,280.29**	**3,24,281.09**	**1,97,500.36**	**1,81,402.10**

Other information

(Rs. in lakhs)

Depreciation and Amortisation	For the year ended 31 March 2025	For the year ended 31 March 2024
Segments		
Housing Finance	391.59	302.06
Investment Company	-	-
Total Segment	**391.59**	**302.06**
Total Depreciation and Amortisation	**391.59**	**302.06**

(Rs. in lakhs)

Interest Income/Expenses	Interest Income for the		Interest expenses for the	
	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2025	Year ended 31 March 2024
Segments				
Housing Finance	27,953.10	23,805.39	16,315.37	14,372.26
Investment Company	-	-	-	-
Total Segment	**27,953.10**	**23,805.39**	**16,315.37**	**14,372.26**
Inter-Segment Elimination	-	-	-	-
Total Interest Income/Expenses	**27,953.10**	**23,805.39**	**16,315.37**	**14,372.26**

(Rs. in lakhs)

Impairment on financial instruments including loss on derecognition of financial assets at amortised cost (Expected Credit Loss)	For the year ended 31 March 2025	For the year ended 31 March 2024
Housing Finance	1,354.91	795.64
Investment Company	-	-
Total	**1,354.91**	**795.64**
Total Tax expense as per statement of profit and loss	**1,354.91**	**795.64**

(Rs. in lakhs)

Income tax expense or income	For the year ended 31 March 2025	For the year ended 31 March 2024
Housing Finance	501.71	468.83
Investment Company	130.35	72.69
Total	**632.06**	**541.52**
Total tax expense as per statement of profit and loss	**632.06**	**541.52**

JMT & ASSOCIATES CHARTERED ACCOUNTANTS MUMBAI FRN: 104167W

Svatantra Holdings Private Limited

(Rs. in lakhs)

Material non-cash items other than depreciation and amortisation	For the year ended 31 March 2025		For the year ended 31 March 2024	
	Housing Finance	Investment Company	Housing Finance	Investment Company
Impairment of financial assets	1,354.91	-	795.64	-
Unrealised net loss /(gain) on fair valuation of financial instruments	-	(0.35)	-	12.97
Total	**1,354.91**	**(0.35)**	**795.64**	**12.97**

45.2 Entity wise disclosures

No revenue from transactions with a single external customer or counterparty amounted to 10% or more of the Company's total revenue in year ended 31 March 2025 and 31 March 2024.

The Group operates in single geography i.e. India and therefore, geographical information is not required to be disclosed separately.

46 Contingent liabilities and commitments

I. Contingent Liabilities: Rs. 99.71 lakhs* (as at March 31, 2024 Rs. 114.86 lakhs)
II. Undrawn Commitment given to Borrowers: Rs.11847.44 lakhs (as at March 31, 2024 Rs.13961.35 lakhs)
III. Bank guarantee issued by Banks favoring the NHB for refinance facilities: Rs. 2,175 lakhs (as at March 31, 2024 Rs. 2,175 lakhs)

* Includes disputed income tax demand against which the Company has preferred an appeal before Commissioner of Income Tax (Appeals) of Rs 99.71 lakhs (as at March 31, 2024 Rs. 113.80 lakhs)

* Includes Corporate Guarantees Issued to National Housing Bank (NHB) on behalf of its subsidiary Svatantra Micro Housing Finance Corporation Limited (SMHFC) of Rs 30,600 lakhs up to 31st March 2025 (Previous Year Rs 30,600 lakhs).

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Svatantra Holdings Private Limited

47 Maturity analysis of assets and liabilities

(Rs. in lakhs)

Assets	As at 31 March 2025			As at 31 March 2024		
	Within 1 year	After 1 year	Total	Within 1 year	After 1 year	Total
Financial assets						
Cash and cash equivalents	5,941.47	-	5,941.47	7,095.34	-	7,095.34
Bank balances other than cash and cash equivalents	2,625.34	-	2,625.34	2,478.92	-	2,478.92
Loans	14,214.26	2,10,077.84	2,24,292.10	13,961.25	1,87,295.97	2,01,257.22
Investments	3,976.65	71,903.76	75,880.41	139.26	91,781.22	91,920.48
Other financial assets	242.58	142.14	384.72	167.63	39.19	206.82
Non financial assets						
Current tax assets (net)	612.75	-	612.75	95.21	-	95.21
Deferred tax assets (net)	-	1,002.01	1,002.01	-	-	-
Investment property	-	1.49	1.49	-	1.49	1.49
Property, plant and equipment	-	411.59	411.59	-	304.82	304.82
Goodwill	20,352.93	-	20,352.93	20,352.93	-	20,352.93
Other intangible assets	-	13.34	13.34	-	10.14	10.14
Intangible assets under development	-	2.58	2.58	-	-	-
Right of use asset	-	413.47	413.47	-	428.68	428.68
Capital Work in Progress	1.77	-	1.77	-	-	-
Other non financial assets	344.34	-	344.34	129.03	-	129.03
Total assets	**48,312.10**	**2,83,968.22**	**3,32,280.31**	**44,419.58**	**2,79,861.51**	**3,24,281.08**
Liabilities						
Financial liabilities						
Trade payables	-	-	-	-	-	-
- Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	43.83	-	43.83	17.47	-	17.47
Other payables	343.79	-	343.79	253.79	-	253.79
Debt securities	-	-	-	5,801.65	-	5,801.65
Borrowings	52,800.27	1,39,635.40	1,92,435.67	45,130.71	1,21,030.60	1,66,161.31
Subordinated Liabilities	-	3,000.00	3,000.00	-	3,000.00	3,000.00
Other financial liabilities	346.51	288.01	634.52	553.96	288.01	841.97
	-	-	-	-	-	-
Non financial liabilities						
Deferred tax liabilities (net)	-	-	-	-	4,850.09	4,850.09
Provisions	106.66	139.99	246.65	104.26	80.68	184.94
Other non financial liabilities	795.91	-	795.91	290.88	-	290.88
Total liabilities	**54,436.97**	**1,43,063.40**	**1,97,500.37**	**52,152.72**	**1,29,249.38**	**1,81,402.10**
Net Equity	**(6,124.88)**	**1,40,904.82**	**1,34,779.94**	**(7,733.15)**	**1,50,612.13**	**1,42,878.98**

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Svatantra Holdings Private Limited

48 Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures.

The Management believes that these estimates are prudent and reasonable and are based upon the Management's best knowledge of current events and actions. Actual results could differ from these estimates and differences between actual results and estimates are recognised in the periods in which the results are known.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilised.

48.1 Business model assessment

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

Evaluation of indicators for impairment of assets

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Expected credit loss ('ECL')

The measurement of expected credit loss allowance for financial assets measured at amortised cost requires use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. likelihood of customers defaulting and resulting losses). The Group makes significant judgements with regard to the following while assessing expected credit loss:

Determining criteria for significant increase in credit risk;
Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and
Establishing groups of similar financial assets for the purposes of measuring ECL.
Development of ECL model, including the various formulae and the choice of inputs
It has been the Group's policy to regularly review its model in the context of actual loss experience and adjust when necessary

Provisions

At each balance sheet date, basis the management judgment, changes in facts and legal aspects, the Group assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Contingencies:

Management has estimated the possible outflow of resources at the end of each annual reporting financial year, if any, in respect of contingencies/claim/litigations against the Group as it is not possible to predict the outcome of pending matters with accuracy.

48.2 Significant estimates

Useful lives of depreciable/amortisable assets

Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

48.3 Defined benefit obligation (DBO)

Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses. The assumptions used are disclosed in Note 43.

48.4 Fair value measurements

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. For further details about determination of fair value please see Note 41.

48.5 Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

When it is reasonably certain to exercise extension option and not to exercise termination option, the Group includes such extended term and ignore termination option in determination of lease term.

48.6 Leases - Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The Group has taken indicative rates from its bankers and used them for Ind AS 116 calculation purposes.

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Svatantra Holdings Private Limited

49 **a) Additional information as required under Schedule III to the Companies act 2013, of enterprises consolidated as Subsidiary Company:**
Name of the parent : Svatantra Holdings Private Limited
Name of the Indian subsidiary : Svatantra Micro Housing Finance Corporation Limited
(Formerly known as Micro Housing Finance Corporation Limited)

(Rs. in lakhs)

Particulars	Parent	Subsidiary	Associate	Non Controlling Interest	Adjustment due to Consolidation	Total
Net assets	1,25,082.45	38,605.34	2,403.76	-	(31,311.63)	1,34,779.93
As a percentage of consolidated net assets (%)	93.00 %	29.00 %	21.47 %	0.00 %	(23.00)%	100.00 %
Share in profit or loss	5,562.03	2,326.65	2,664.55	-	(233.97)	10,319.27
As a percentage of consolidated profit or loss (%)	54.00 %	23.00 %	26.00 %	0.00 %	(2.00)%	100.00 %
Share in other comprehensive income	(16,689.77)	4.74	-	-	-	(16,685.03)
As a percentage of consolidated other comprehensive income (%)	100.00 %	0.00 %	0.00 %	0.00 %	0.00 %	100.00 %
Share in total comprehensive income	(11,127.73)	2,331.39	2,664.55	-	(233.97)	(6,365.76)
As a percentage of consolidated total comprehensive income (%)	175.00 %	(37.00)%	(42.00)%	0.00 %	4.00 %	100.00 %

b) Salient Features of Financial Statements of Subsidiary Companies as per Companies Act, 2013 (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 :

Part "A" : Subsidiaries
Name of the Indian subsidiary : Svatantra Micro Housing Finance Corporation Limited (Formerly known as Micro Housing Finance Corporation Limited)

(Rs. in lakhs)

Particulars	Amount
Reporting Currency	Indian Rupees
Share Capital	7,472.70
Reserves & Surplus	31,132.64
Total Assets	2,35,567.37
Total Liabilities	1,96,962.03
Investments	-
Turnover/Total Income	28,499.55
Profit before taxation	2,907.04
Provision for taxation	580.39
Profit after taxation	2,326.65
Proposed dividend	-
% of Shareholding	100.00

1. Name of subsidiaries which are yet to commence operations : **None**
2. Names of subsidiaries which have been liquidated or sold during the year : **None**

Part "B": Associates and Joint Ventures

Statement pursuant to section 129(3) of the Companies Act, 2013 relating to Associate Companies

(Rs. in lakhs)

Sr. No.	1
Name of Associate Companies	Svatantra Microfin Private Limited
Latest audited Balance Sheet Date	31st March 2025
Share of Associate held by the Company at year end	
Number of Shares	13,46,11,109
Amount of Investment in Associates (Rs in Lakhs)	69,500.00
Extent of Holding (%)	21.47%
Description of how there is significant influence	By holding substantial Voting Power of Associate
Reasons why the associate is not consolidated	N.A
Net worth attributable to shareholding as per latest Audited Balance Sheet (Rs)	3,72,120.00
Profit/ (Loss) for the Year	
Considered in Consolidation (Holder's Interest)	2,664.55
Not Considered in Consolidation (Other Holders Interest)	N.A

1) **Name of associates which are yet to commence operations: None**

2) **Name of associates which have been liquidated or sold during the year: None**

JMT & ASSOCIATES MUMBAI FRN. 104167W CHARTERED ACC

Svatantra Holdings Private Limited

50 Additional Regulatory Information under MCA Notification dated March 24, 2021

a) Details of Benami Property held: There are no proceedings which have been initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

b) Relationship with Struck off Companies : During the year, the Group does not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.

c) Compliance with number of layers of companies: The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

d) Compliance with approved Scheme(s) of Arrangements: NA

e) Utilisation of Borrowed funds and share premium:
During the financial year ended March 31, 2025, other than the transactions undertaken in the normal course of business.
(i). No funds (which are material either individually or in the aggregate) 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 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;

(ii). No funds (which are material either individually or in the aggregate) 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 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;

f) Undisclosed Income: The Group does not have any transactions not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). Also, there are nil previously unrecorded income and related assets.

g) Details of Crypto Currency or Virtual Currency: The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

h) Capital work in progress (CWIP), Property plant and equipment and Intangible asset: The Group does not have any CWIP during the financial years ended March 31, 2025 and March 31, 2024 except intangible under development.

i) Wilful defaulter
The Group has not been declared as a wilful defaulter by any bank or financial institution or other lender in the financial years ended March 31, 2025 and March 31, 2024.

j) Additional information where borrowings are from banks or financial institutions:
(i) The quarterly returns filed by the Group with banks or financial institutions are in agreement with the books of accounts.

(ii) The Group has used the borrowings from the banks or financial institutions for the purpose for which it was raised as at balance sheet date.

51 The Board of Directors of the Holding Company at their meeting held on 6th November 2024 have inter-alia considered and approved the Scheme of Amalgamation ("Scheme) of Svatantra Holdings Private Limited ("First Transferor Company"), Chaitanya India Fin Credit Private Limited ("Second Transferor Company") with and into Svatantra Microfin Private Limited (Tranferee Company) and their respective shareholders under Sections 230 to 232 read with Section 66 and other applicable provisions of The Companies Act, 2013. The said Scheme is subject to receipt of necessary approvals from statutory and regulatory authorities as may be necessary.

52 The Holding Compnay has acquired 21.47% stake in Svatantra Microfin Private Limited ("the Associate Company") effective from 31 October 2024. For the purpose of preparing the consolidated financial statements, Holding Company has considered 01 November 2024, as the cut-off date. There have been no material or exceptional transactions during this period that could materially impact the consolidated financial statements."

53 Prior year figures have been reclassified where necessary to confirm with the current year's presentation.

54 Events after reporting date:
There have been no events after the reporting date that require adjustment/disclosure in these consolidated financial statements.

Signiture to note 1 to 54

As per our report of even date attached

For JMT & Associates
Chartered Accountants
Firm's Registration No. 104167W

Amar Bafna
Partner
Membership No: 048639

Place: Mumbai

Date: 20.06.2025

UDIN: 25048639BMNDHN4606

On behalf of the Board of Directors of
Svatantra Holdings Private Limited

Anil Chirania
Director
DIN: 01082719

Shriram Jagetiya
Director
DIN: 01638250

Vinit Tanna
Company Secretary
ACS A50504

JMT & associates
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INDEPENDENT AUDITORS' REPORT

TO MEMBERS OF
SVATANTRA HOLDINGS PRIVATE LIMITED

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the financial statements of **SVATANTRA HOLDINGS PRIVATE LIMITED** (hereinafter referred to as "the Company"), which comprise the Standalone Balance Sheet as at March 31, 2025, and the Standalone Statement of Profit and Loss including Other Comprehensive Income, the Standalone Cash Flow Statement 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 (collectively referred to as 'Standalone Financial Statements').

In our opinion and to the best of our information and according to the explanations given to us, the Financial Statements give the information required by the Companies Act, 2013 (hereinafter referred to as "the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, and amended and other accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at March 31, 2025, and its loss including other comprehensive loss, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key Audit Matters are those matters that in our professional judgment were of most significance in our audit of the Standalone Financial Statements for the year ended March 31, 2025. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters. We have determined the matters described below to be the Key Audit Matters to be communicated in our report:

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Sr. No.	Key Audit Matter	Our Response
1	***Measurement of Investments in Principal Audit Procedures accordance with Ind AS 109 "Financial Instruments*** On initial recognition, Investments are recognized at fair value, in case of the Investments which are recognised at fair value through profit and loss (FVTPL), its transaction cost is recognised in the statement of profit and loss. In other cases, the transaction costs are attributed to the acquisition value of the Investments. The Company's investments are subsequently classified into following categories based the objective of its business model to manage the cash flows and options available in the standard: • Investments in Mutual fund units at fair value through profit or loss (FVTPL) • Equity instruments measured at fair value through other comprehensive income FVTOCI. • Compulsorily non-cumulative convertible preference shares measured at fair value through other comprehensive income FVTOCI. Since valuation of investments at fair value involves critical assumptions, significant risk in valuation, the valuation of investments as per Ind AS 109 is determined to be a key audit matter in our audit of the standalone financial statements. Refer note 2.4, 4 and 25 to the standalone financial statements.	Obtained an understanding of the determination of the measurement of investments and tested the reasonableness of the significant judgements are applied by the management • Evaluated the design of internal controls relating to the measurement and also tested the operating effectiveness of the aforesaid controls; • Obtained valuation certificate of independent valuer in respect of fair value of investments; • Verified that the Company has used valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs; • Assessed the appropriateness of the disclosure in the standalone financial statements in accordance with the applicable financial reporting framework.

JMT & ASSOCIATES ★ MUMBAI FRN: 104174W ★ CHARTERED ACCOUNTANTS

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report the fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with provisions of the Act for safeguarding 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for Audit of the Standalone Financial Statements

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



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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate appropriateness of the accounting policies used and reasonableness of accounting estimates and related disclosures made by management.

- Conclude on appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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 financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in "Annexure A" - a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   b) In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books;

   c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this report are in agreement with the books of account;

   d) In our opinion the Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

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

   f) 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:

      In our opinion and to the best of our information and according to the explanations given to us, no managerial remuneration is paid which required to adhere to the compliance of the provisions of Section 197 of the Act;

   g) With respect to the adequacy of the internal financial controls over financial reporting 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 Rule 11 of the Companies (Audit and Auditors) Rules, 2021, in our opinion and to the best of our information and according to the explanations given to us, we report that:

      i) The Company does not have any pending litigations which would impact its financial position other than those mentioned in the notes to the accounts;

JMT & ASSOCIATES ★ MUMBAI FRN: 104178W ★ CHARTERED ACCOUNTANTS

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 Investors Education and Protection Fund by the Company;

iv) (a) As per the information and explanation given to us by the management, 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 entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) As per the information and explanation given to us by the management, no funds have been received by the company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) On the basis of above representations, nothing has come to our notice that has caused us to believe that the above representations contained any material mis-statement.

v) (a) As per the information and explanation given to us by the management, the no dividend was proposed in the previous year.

(b) The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act; and

(c) The Board of Directors of the Company have not proposed any dividend for the year.



vi) Based on our examination which included test checks, and other generally accepted audit procedures performed by us, we report that the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of 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 and on behalf of
J M T & ASSOCIATES
Chartered Accountants
Firm Regn No. 104167W

(Amar Bafna)
Partner
Membership No. 048639

Place : Mumbai
Date : June 20, 2025
UDIN : 25048639BMHDHM9947

SVATANTRA HOLDINGS PRIVATE LIMITED
ANNEXURE-A TO INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 1 under the 'Report on Other Legal and Regulatory Requirements' our report to the members of SVATANTRA HOLDINGS PRIVATE LIMITED, ('the Company') for the year ended on March 31, 2025. We report that:

i. In respect of its Property, Plant & Equipment:

(a) According to the information and explanations given to us, there are no Property, Plant and Equipment and Intangible Assets during the year. Hence, paragraphs 3 (i) (a) to 3 (i) (d) of the Order are not applicable to the Company;

(b) Further, according to the information and explanations given to us and based on management representations, there are no proceedings initiated or are pending against the Company as at 31 March 2025 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder. Accordingly, the provisions of paragraph 3 (i)(e) of the Order are not applicable to the Company.

ii. In respect of its inventories:

(a) As per the information and explanation given to us by the management, the Company does not hold any inventories and hence provisions of Clause 3(ii)(a) of the Order are not applicable to the Company;

(b) As per the information and explanation given to us by the management, the Company has not availed any working capital facility from any banks or financial institutions on the basis of security of current assets and hence provisions of Clause 3(ii)(b) of the Order are not applicable to the Company.

iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, it has not provided any security or granted any secured loans or secured or unsecured advances in the nature of loans to companies, firms, limited liability partnerships or any other parties during the year. The Company has made investments in wholly owned subsidiary, other corporate and mutual fund, and provided guarantee in relation to loan taken by its wholly owned subsidiary in respect of which the requisite information is given below. The Company has not made investments in firms and limited liability partnerships.

(a) According to information and explanations given to us, the Company has not provided any security or granted any secured or unsecured loans or advances in the nature of loans to companies, firms, limited liability partnerships or any other parties during the year. The Company has provided guarantee in relation to loan taken by its wholly owned subsidiary (Refer note 19 (B) and 20 to the standalone financial statements).

(b) In our opinion, the investments made and guarantee provided in relation to loan taken by its wholly owned subsidiary are, prima facie, not prejudicial to the Company's interest.

(c) During the year, the Company has not granted any secured or unsecured loans or advances in the nature of loans and accordingly. reporting under paragraphs 3(iii)(c) and 3(iii)(d) of the Order is applicable to the Company.



(d) During the year, no loan or advance has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties and accordingly, reporting under paragraph 3(iii)(e) of the Order is not applicable to the Company.

(e) During the year, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment and accordingly, reporting under paragraph 3(iii)(f) of the Order is not applicable to the Company.

iv. According to information and explanations given to us and on the basis of our examination of the records of the Company, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made, guarantees, and securities provided, as applicable.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits or amounts which are deemed to be deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed thereunder to the extent notified.

vi. According to the information and explanations given to us, the Company does not require maintaining cost records as prescribed by the Central Government under sub-section (1) of Section 148 of the Act.

vii. (a) According to the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, GST, sales tax, wealth tax, duty of customs, duty of excise, value added tax or cess and other statutory dues applicable to it;

Further, according to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, GST, sales tax, wealth tax, duty of customs, duty of excise, value added tax or cess and other statutory dues were outstanding, as at March 31, 2025, for a period of more than six months from the date they became payable;

(b) According to the information and explanations given to us, there are no dues of income tax, GST, sales tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute.

viii. According to the information and explanations given to us, there are no transactions that are not recorded in the books of accounts and have been surrendered of disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. In our opinion and according to information and explanations given to us, the Company does not have any loans or borrowings from banks, financial institutions, government and has not issued any debentures during the year. Hence, reporting under paragraphs 3 (ix) (a) to 3 (ix) (f) of the Order are not applicable to the Company

JMT & ASSOCIATES ★ MUMBAI FRN: 104167W ★ CHARTERED ACCOUNTANTS

x. (a) Based on our audit procedures and according to the information and explanations given to us by the management, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and hence provisions of Clause 3(x)(a) of the Order are not applicable to the Company;

(b) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit and hence provisions of Clause 3(x)(b) of the Order are not applicable to the Company

xi. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company noticed or reported during the year, nor have we been informed of any such case by the management. Clause 3(xi)(a) to (c) of the Order is, therefore, not applicable to the Company for the year under audit.

xii. The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to the Company and hence provisions of Clause 3(xii) (a) to (c) of the Order are not applicable to the Company.

xiii. The Company has entered into the transaction with the related parties in compliance with the provisions of the Section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Ind AS 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

xiv. According to the information and explanations given to us, in our opinion and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system as per the provisions of the Companies Act 2013. Accordingly, reporting under paragraph 3(xiv) of the Order is not applicable to the Company.

xv. The Company has not entered into any non-cash transactions with its directors or the persons connected with him and hence provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. (a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under paragraphs 3(xvi)(a) and 3(xvi)(b) of the Order is not applicable to the Company.

(b) The company is an Unregistered Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India which is not required to be registered with the Reserve Bank of India;

(c) According to the information and explanations given to us by the management, the Group has five CICs as on the reporting date, out of which one CIC is not required to get registered, one CIC is registered and three CICs are in the process of registration with the Reserve Bank of India.

JMT & ASSOCIATES ★ CHARTERED ACCOUNTANTS ★ MUMBAI FRN: 104167W

xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year resulting in any casual vacancies, and hence provisions of Clause 3(xviii) of the Order are not applicable to the Company.

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

xx. According to the information and explanations given to us, the Company need not spend any amount as required in the Section 135 of the said Act. Accordingly, provisions of Clause 3(xx) (a) and (b) of the Order are not applicable to the Company.



For and on behalf of
J M T & ASSOCIATES
Chartered Accountants
Firm Regn No. 104167W

(Amar Bafna)
Partner
Membership No. 048639

Place : Mumbai
Date : June 20, 2025
UDIN : 25048639BMHDHM9947

SVATANTRA HOLDINGS PRIVATE LIMITED
ANNEXURE-B TO INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 2(g) under the 'Report on Other Legal and Regulatory Requirements' our report to the members of SVATANTRA HOLDINGS PRIVATE LIMITED, ('the Company') for the year ended on March 31, 2025.

Report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Act

Opinion

We have audited internal financial controls over financial reporting of **SVATANTRA HOLDINGS PRIVATE LIMITED** ("the Company") as of March 31, 2025 in conjunction with our audit of the Standalone Financial Statements of the Company for the year then ended on that date.

In our opinion, the Company has, in all material aspects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's Responsibility for the Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities includes design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of business, including adherence to Company's policies, the safeguarding of the assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and Guidance note require that we comply with ethical requirements and plan and perform audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.



Our audit involves performing procedure to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls 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 system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide a reasonable assurance regarding the reliability of financial reporting and preparation of Standalone Financial Statements for external purpose in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting 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 the transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with the generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 control over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For and on behalf of
J M T & ASSOCIATES
Chartered Accountants
Firm Regn No. 104167W

JMT & ASSOCIATES ★ MUMBAI FRN: 104167W ★ CHARTERED ACCOUNTANTS

(Amar Bafna)
Partner
Membership No. 048639

Place : Mumbai
Date : June 20, 2025
UDIN : 25048639BMHDHM9947

Svatantra Holdings Private Limited
CIN: U67200MH2018PTC309327
Standalone Balance sheet as at 31 March 2025

₹ in Lakhs

	Particulars	Notes	As at 31 March 2025	As at 31 March 2024
	ASSETS			
(1)	**Financial assets**			
(a)	Cash and cash equivalents	3	3.30	2.00
(b)	Investments	4	1,27,393.42	1,45,837.25
(c)	Other Financial Assets	5	1.28	-
	Total financial assets		**1,27,398.00**	**1,45,839.25**
(2)	**Non-financial assets**			
(a)	Current tax assets (net)	6	464.85	1.65
	Total non-financial assets		**464.85**	**1.65**
	TOTAL ASSETS		**1,27,862.85**	**1,45,840.90**
	LIABILITIES AND EQUITY			
(A)	**LIABILITIES**			
(1)	**Financial Liabilities**			
(a)	Trade payables	7		
	(i) Total outstanding dues of micro enterprises and small enterprises		-	-
	(ii) Total outstanding dues of creditors other than micro and small enterprises		2.70	2.70
(b)	Other financial liabilities	8	2,037.56	2,347.56
	Total financial liabilities		**2,040.26**	**2,350.26**
(2)	**Non-financial Liabilities**			
(a)	Deferred tax liabilities (net)	9	220.64	5,751.80
(b)	Other non-financial liabilities	10	519.50	56.15
	Total non financial liabilities		**740.14**	**5,807.95**
	TOTAL LIABILITIES		**2,780.40**	**8,158.21**
(B)	**EQUITY**			
(a)	Equity share capital	11	3,145.59	10.00
(b)	Instruments entirely equity in nature	11	1,21,400.00	1,21,400.00
(c)	Other equity	12	536.86	16,272.69
	TOTAL EQUITY		**1,25,082.45**	**1,37,682.69**
	TOTAL LIABILITIES AND EQUITY		**1,27,862.85**	**1,45,840.90**

2

Summary of material accounting policies

The accompanying notes are an integral part of standalone financial statements

As per our report of even date attached

For JMT & Associates
Chartered Accountants
Firm's Registration No. 104167W

Amar Bafna
Partner
Membership No: 048639

JMT & ASSOCIATES ★ MUMBAI FRN: 104167W ★ CHARTERED ACCOUNTANTS

Place: Mumbai
Date: 20.06.2025
UDIN: 25048639BMHDHM9947

For and on behalf of the Board of Directors of
Svatantra Holdings Private Limited

Anil Chirania
Director
DIN: 01082719

Shriram Jagetiya
Director
DIN: 01638250

Vinit Tanna
Company Secretary
ACS A50504

Svatantra Holdings Private Limited

Svatantra Holdings Private Limited
CIN: U67200MH2018PTC309327
Standalone Statement of profit and loss for the period from 01 April 2024 to 31 March 2025

₹ in Lakhs

Particulars	Notes	For the year ended 31 March 2025	For the year ended 31 March 2024
Revenue from operations			
Net gain on fair value changes	13	227.35	6.70
Dividend Income	14	5,186.16	-
Total Revenue from operations		**5,413.51**	**6.70**
Other income	15	310.06	301.81
Total income		**5,723.57**	**308.51**
Expenses			
Others expenses	16	31.18	12.67
Total expenses		**31.18**	**12.67**
Profit before tax		**5,692.38**	**295.84**
Tax expense:			
- Current tax		53.77	-
- Deferred tax		76.58	72.69
		130.35	**72.69**
Profit for the year		**5,562.03**	**223.15**
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss			
- Gain / (loss) on equity instrument designated at FVOCI		(22,281.22)	(50,736.84)
- Income tax relating to items that will not be reclassified to profit or loss		5,607.74	12,769.45
(ii) Items that will be reclassified to profit or loss		-	-
Other comprehensive income, net of income tax		**(16,673.48)**	**(37,967.39)**
Total Comprehensive Income for the period/year		**(11,111.45)**	**(37,744.24)**
Earnings per equity share	19		
Basic earnings per share (₹)		0.4580	0.019
Diluted earnings per share (₹)		0.4580	0.019
Nominal value		10.00	10.00

Summary of material accounting policies

The accompanying notes are an integral part of standalone financial statements

As per our report of even date attached

For JMT & Associates
Chartered Accountants
Firm's Registration No. 104167W

JMT & ASSOCIATES * MUMBAI FRN: 104167W * CHARTERED ACCOUNTANTS

Amar Bafna
Partner
Membership No: 048639

Place: Mumbai
Date: 20.06.2025
UDIN: 25048639BMHDHM9947

For and on behalf of the Board of Directors of
Svatantra Holdings Private Limited

Anil Chirania
Director
DIN: 01082719

Shriram Jagetiya
Director
DIN: 01638250

Vinit Tanna
Company Secretary
ACS A50504

Svatantra Holdings Private Limited

Svatantra Holdings Private Limited
CIN: U67200MH2018PTC309327
Standalone Statement of Cash Flows for the period from 01 April 2024 to 31 March 2025

₹ in Lakhs

	Particulars		For the year ended 31 March 2025	For the year ended 31 March 2024
A.	**CASH FLOW FROM OPERATING ACTIVITIES**			
	Profit before Tax		**5,692.38**	**295.84**
	Adjustments for:			
	Net gain on financial instruments at fair value through profit or loss		(227.35)	(6.70)
	Dividend Received		(5,186.16)	-
	Commission income on financial guarantee		(310.00)	(301.81)
	Operating loss before working capital changes		(31.13)	(12.67)
	Adjustments for:			
	Increase / (Decrease) in trade payables		-	(0.53)
	(Increase) /Decrease in other financial assets		(1.28)	-
	(Increase) /Decrease in other non financial assets		1.64	-
	Increase / (Decrease) in other non-financial liabilities		463.36	55.03
	Cash generated from / (used in) operations		432.59	41.83
	Income tax paid		(518.61)	(1.65)
	Net cash generated from / (used in) operating activities	**(A)**	**(86.02)**	**40.18**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**			
	Purchase of investment in subsidiary - Equity Shares		-	(5,000.00)
	Sale/(Purchase) of investments in mutual fund units		(3,610.05)	(40.00)
	Dividend Received		5,186.16	-
	Net cash generated from / (used in) investing activities	**(B)**	**1,576.11**	**(5,040.00)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**			
	Proceeds from issuance of Compulsorily convertible preference shares		-	5,000.00
	Share issue expenses		(0.19)	(0.25)
	Dividend Paid		(5,188.60)	-
	Proceeds from Issuance of Equity Shares		3,700.00	-
	Net cash (used in) / generated from financing activities	**(C)**	**(1,488.79)**	**4,999.75**
	Net increase/ (decrease) in cash and cash equivalents	**(A+B+C)**	**1.30**	**(0.07)**
	Cash and cash equivalent at beginning of year		**2.00**	**2.07**
	Cash and cash equivalent at end of year		**3.30**	**2.00**
	Net increase/(decrease) as disclosed above		**1.30**	**(0.07)**
	Cash and cash equivalents of closing balance comprise of:			
	Cash on hand		0.02	0.02
	Balances with banks accounts		3.28	1.98
			3.30	**2.00**

Summary of material accounting policies

The accompanying notes are an integral part of standalone financial statements

As per our report of even date attached

For JMT & Associates
Chartered Accountants
Firm's Registration No. 104167W

Amar Bafna
Partner
Membership No: 048639

Place: Mumbai
Date: 20.06.2025

UDIN: 25048639BMHDHM9947

For Svatantra Holdings Private Limited

Anil Chirania
Director
DIN: 01082719

Shriram Jagetiya
Director
DIN: 01638250

Vinit Tanna
Company Secretary
ACS A50504

Svatantra Holdings Private Limited
CIN: U67200MH2018PTC309327
Standalone Statement of changes in equity as at 31 March 2025

A. Share capital

₹ in Lakhs

Particulars	No of shares	Amount
Balance at 01 April 2023	**1,00,000**	**10.00**
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting year	-	-
Issued during the year	-	-
Balance at 31 March 2024	**1,00,000**	**10.00**
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	-	-
Issued during the period	3,13,55,933	3,135.59
Balance at 31 March 2025	**3,14,55,933**	**3,145.59**

B. Instruments entirely equity in nature

Compulsorily convertible non-cumulative preference shares ("CCPS")

₹ in Lakhs

Particulars	No of shares	Amount
Balance at 01 April 2023	**11,64,00,000**	**1,16,400.00**
Issued during the year	50,00,000	5,000.00
Balance at 31 March 2024	**12,14,00,000**	**1,21,400.00**
Issued during the period	-	-
Balance at 31 March 2025	**12,14,00,000**	**1,21,400.00**

C. Other equity

₹ in Lakhs

Particulars	Reserves and surplus		Items of other comprehensive income	Total
	Securities Premium	Retained earnings	Equity Instrument through other comprehensive income	
Balance as at 01 April 2023	**-**	**2,908.75**	**51,108.44**	**54,017.19**
Profit for the period	-	223.15	-	223.15
Other comprehensive income for the year (net of tax)	-	-	(37,967.39)	(37,967.39)
Stamp duty on issue of 6% Compulsorily convertible non cumulative preference shares	-	(0.25)	-	(0.25)
Balance at the closing of the reporting period i.e. 31 March 2024	**-**	**3,131.64**	**13,141.05**	**16,272.69**
Profit for the period		5,562.03		5,562.03
Addition during the year	564.41	-	-	564.41
Share issue expenses	(0.19)	-	-	(0.19)
Other comprehensive income for the period (net of tax)	-	-	(16,673.48)	(16,673.48)
Dividend Paid on 6% Compulsorily convertible non cumulative preference shares	-	(5,188.60)	-	(5,188.60)
Balance at the closing of the reporting period i.e. 31 March 2025	**564.22**	**3,505.07**	**(3,532.43)**	**536.86**

Summary of material accounting policies

The accompanying notes are an integral part of standalone financial statements

As per our report of even date attached

For JMT & Associates
Chartered Accountants
Firm's Registration No. 104167W

Amar Bafna
Partner
Membership No: 048639

JMT & ASSOCIATES ★ MUMBAI FRN: 104167W ★ CHARTERED ACCOUNTANTS

Place: Mumbai
Date: 20.06.2025

UDIN: 25048639BMHDHM9947

For and on behalf of the Board of Directors of
Svatantra Holdings Private Limited

Anil Chirania
Director
DIN: 01082719

Vinit Tanna
Company Secretary
ACS A50504

Shriram Jagetiya
Director
DIN: 01638250

Svatantra Holdings Private Limited

Svatantra Holdings Private Limited
CIN: U67200MH2018PTC309327
Notes to the Standalone financial statements for year ended 31 March 2025

1 CORPORATE INFORMATION

Svatantra Holdings Private Limited ("the Company") was incorporated on 11 May 2018 under the Companies Act, 2013 and registered at Registrar of Companies, Mumbai, Maharashtra and its registered office situated at 213, Second Floor, TV Industrial Estate, 52, SK Ahire Marg, Worli, Mumbai - 400 030.

The Company is a Core Investment Company in terms of Core Investment Companies (Reserve Bank) Directions, 2016, issued by the Reserve Bank of India (RBI) on August 25, 2016. Further, the Board of Directors of the Company have passed a resolution on 21 May 2018 confirming that the Company shall not access public funds at any point of time without obtaining registration with RBI.

2 MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements:

These standalone financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, and on the basis of accounting principle of a going concern in accordance with generally accepted accounting principles (GAAP). 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.

The financial statements have been presented in accordance with Schedule III-Division III General Instructions for Preparation of financial statements of a Non-Banking Financial Company (NBFC) that is required to comply with Ind AS.

Functional and presentation currency:
The financial statements are presented in Indian Rupees, rounded off to the nearest lakhs and decimal thereof which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

2.2 Use of judgment and estimates:

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and the accompanying disclosures along with contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amount of assets or liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information.

Revisions to accounting estimates are recognized prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected and, if material, the effects of such changes are disclosed in the notes to financial statement.

2.3 Measurement of Fair value

The Company measures financial instruments, such as investments (other than equity investments in Subsidiaries,) at fair values at each Balance Sheet date.

Certain accounting policies and disclosures require the measurement of fair values, for both financial and non- financial assets and liabilities.

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 in the principal or, in its absence, the most advantageous market to which the company has access at that date. The fair value of a liability also reflects its non-performance risk.

The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price.

While measuring the fair value of an asset or liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:

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Svatantra Holdings Private Limited

Level 1: are quoted prices (unadjusted) in active markets for identical assets and / or liabilities that the entity can access at the measurement date.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. If the asset or liability has a specified (contractual) term.

Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs).

When quoted price in active market for an instrument is available, the Company measures the fair value of the instrument using that price. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there are no quoted prices in an active market, then the Company uses a valuation technique that maximize the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The Company regularly reviews significant unobservable inputs and valuation adjustments. If the third party information, such as broker quotes or pricing services, is used to measure fair values, then the Company assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

2.4 Financial assets

Initial recognition and measurement
All financial assets are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement
Subsequent measurement is determined with reference to the classification of the respective financial assets. Based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, the Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit and loss.

Financial Asset Other than Equity instrument at amortised cost
A 'Financial Asset' is measured at the amortised cost if both the following conditions are met:
The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

Financial Asset at Fair value through Other Comprehensive Income (FVOCI)
Financial Asset is measured at the fair value through Other Comprehensive Income if both the following conditions are met:

The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and contractual terms of the asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

After initial measurement, these assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment losses are recognised in the Statement of Profit and Loss. Other net gains and losses are recognised in other comprehensive Income.

Financial Asset at Fair value through Profit or Loss (FVTPL)
Fair Value through Profit or Loss is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation at amortised cost or as FVOCI, is classified as FVTPL.

After initial measurement, any fair value changes including any interest income, foreign exchange gain and losses, impairment losses and other net gains and losses are recognised in the Statement of Profit and Loss.

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Svatantra Holdings Private Limited

Equity investments

All equity investments within the scope of Ind-AS 109 are measured at fair value. Such equity instruments which are held for trading are classified as FVTPL. For all other such equity instruments, the Company decides to classify the same either as FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in Other Comprehensive Income (OCI). Dividends on such equity instruments are recognised in the Statement of Profit or Loss.
Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

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

On de-recognition, any gains or losses on all debt instruments (other than debt instruments measured at FVOCI) and equity instruments (measured at FVTPL) are recognised in the Statement of Profit and Loss. Gains and losses in respect of debt instruments measured at FVOCI and that are accumulated in OCI are reclassified to profit or loss on de-recognition. Gains or losses on equity instruments measured at FVOCI that are recognised and accumulated in OCI are not reclassified to profit or loss on de-recognition.

2.5 Financial Liabilities

Initial recognition and measurement

Financial liabilities are initially recognised when the company becomes a party to the contractual provisions of the instrument.

Financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss, transaction costs that are directly attributable to its acquisition or issue.

Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial liabilities.

Financial Liabilities at Fair Value through Profit or Loss (FVTPL)

Financial liability is classified as at Fair Value through Profit or Loss (FVTPL) if it is classified as held-for-trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognised in Statement of Profit and Loss.

Financial Liabilities at amortised cost

After initial recognition, financial liabilities other than those which are classified as FVTPL are subsequently measured at amortised cost using the effective interest rate ("EIR") method.

Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The amortisation done using the EIR method is included as finance costs in the Statement of Profit and Loss.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss. However, if the lender is directly or indirectly acting as shareholder or member of the promoter group then any loss or gain is recognised directly in to equity.

Financial Guarantee Obligations:

The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations. The Company's guarantees in relation to loans of subsidiary are provided for no compensation, the fair values as on the date of transition are accounted for as contributions and recognised as part of the cost of the equity investment.

JMT & ASSOCIATES ★ MUMBAI FRN: 104167W ★ CHARTERED ACCOUNTANTS

Svatantra Holdings Private Limited

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

Initial recognition gain or loss (Day 1 gain or loss)
In case a financial instrument for which transaction price differs from fair value and fair value is evidenced through quoted price in active market (i.e., level 1) or based on valuation technique that uses data from observable market inputs, the Company shall recognise the difference between the fair value at initial recognition and transaction price as gain or loss.

With respect to financial instruments, the Company on case to case basis understand the reason for any difference between the fair value at initial recognition and transaction price. This could be capital contribution or deemed contribution or deemed distribution or consideration for goods and services depending upon circumstances. In all other cases, at the measurement required by paragraph 5.1.1 Ind AS 109, adjusted to defer the difference between the fair value at initial recognition and the transaction price. After initial recognition, the entity shall recognise that deferred difference as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

2.6 Finance charges:
Finance Charges are recognised as an expense in the period in which they are incurred.

2.7 Revenue recognition:
Profit or loss on sale of investments is recognised on the date of sale of mutual fund units and is determined as the difference between the sale price and the carrying value of the investments.

Net gain on fair value changes
Any differences between the fair values of financial assets classified as fair value through the profit or loss held by Company on the balance sheet date is recognised as an unrealised gain / loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under revenue from operations and if there is a net loss, the same is disclosed under "Expenses" in the statement of Profit and Loss.

Similarly, any realised gain or loss on sale of financial instruments measured at FVTL and debt instruments measured at Fair value through Other Comprehensive Income ("FVOCI") is recognised in net gain\loss on fair value changes.

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

2.8 Taxation:
Tax expense comprises of current and deferred tax.

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

The deferred tax for timing differences between the book profits and tax profits for the year is accounted for using the tax rates and laws that have been enacted or substantively enacted as of the balance sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is a reasonable certainty / virtual certainty that these would be realized in future and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

In case of unabsorbed depreciation or carried forward losses under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

2.9 Provisions, contingent liabilities and assets:
The Company creates a provision when there is a present obligation as result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognized nor disclosed in the financial statements.





2.10 Cash and Cash Equivalents

The Cash flow statement is prepared under the "indirect method" and presents the cash flows by operating, investing and financing activities of the Company.

Cash and Cash Equivalents for the purpose of cash flow statement comprise cash on hand and cash at bank including fixed deposits with original maturity period of three months or less and short term highly liquid investments with an original maturity of three months or less.

2.11 Earnings Per Share:

The basic earnings per share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

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

2.12 Transactions in foreign currencies:

Foreign currency transactions are recorded at the exchange rates prevailing on the date of such transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange prevailing at the date of the balance sheet. Gains and losses arising on account of differences in foreign exchange rates on settlement and translation of monetary assets and liabilities are recognised in the statement of profit and loss. Non-monetary foreign currency items are carried at historical cost.

2.13 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.





Svatantra Holdings Private Limited
CIN: U67200MH2018PTC309327
Notes to the Standalone financial statements for the year ended on 31 March 2025

3 Cash and cash equivalents

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
Cash on hand	0.02	0.02
Balances with banks		
- In current account	3.28	1.98
Total	3.30	2.00

5 Other financial assets

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
Security deposits	0.20	-
Other receivables	1.08	-
Total	1.28	-

6 Current tax assets (net)

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
Advance income tax	-	1.65
TDS Receivable (Net of Provision for Tax of ₹ 53.77 Lakhs)	464.85	-
Total	464.85	1.65

7 Trade payables

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
Total outstanding dues of micro enterprises and small enterprises		
Total outstanding dues of creditors other than micro and small enterprises	2.70	2.70
Total	2.70	2.70

Trade Payables - Ageing Schedule (FY 2024-2025)

₹ in Lakhs

Particulars	Outstanding for following periods from the due date of payment				
	Less than 1 Year	1-2 years	2-3 years	More Than 3 Years	Total
(i) MSME	-	-	-	-	-
(ii) Others	-	-	-	-	-
(iii) Disputed dues -MSME	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-
(v) Unbilled					2.70
Total	-	-	-	-	2.70

Trade Payables - Ageing Schedule (FY 2023-2024)

₹ in Lakhs

Particulars	Outstanding for following periods from the due date of payment				
	Less than 1 Year	1-2 years	2-3 years	More Than 3 Years	Total
(i) MSME	-	-	-	-	-
(ii) Others	-	-	-	-	-
(iii) Disputed dues -MSME	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-
(v) Unbilled					2.70
Total	-	-	-	-	2.70

JMT & ASSOCIATES CHARTERED ACCOUNTANTS MUMBAI FRN: 104107W

Svatantra Holdings Private Limited

Svatantra Holdings Private Limited
CIN: U67200MH2018PTC309327
Notes to the Standalone financial statements for the year ended on 31 March 2025

Following disclosures as required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 has been made to the extent information available with the Company :

Particulars	As at 31 March 2025	As at 31 March 2024
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprise Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(iv) 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 Micro, Small and Medium Enterprise Development Act, 2006.	-	-
(v) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006	-	-

8 Other financial liabilities

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
Unearned financial guarantee commission	2,037.56	2,347.56
Total	**2,037.56**	**2,347.56**

9 Deferred tax liabilities (net)

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
Deferred tax assets:	-	-
Less: Deferred tax liabilities:		
Fair value gain / (loss) on investments	0.09	5,609.27
Financial guarantee commission	220.55	142.53
Total	**220.64**	**5,751.80**

10 Other non-financial liabilities

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
Statutory liabilities	519.50	0.81
GST Payable (Net)	-	55.34
Total	**519.50**	**56.15**

JMT & ASSOCIATES ★ CHARTERED ACCOUNTANTS ★ MUMBAI FRN: 104167W

Svatantra Holdings Private Limited

4 Investments

Particulars	As at 31 March 2025						
	Amortised cost	At Fair Value			Subtotal	Others (At Cost)	Total
		Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss			
(I) Units of Mutual Fund							
9,49,700.557 Units of Aditya Birla Sunlife Liquid Fund - Growth - Direct	-	-	3,976.65	-	3,976.65	-	3,976.65
(II) Equity instruments							
- Unquoted							
- in subsidiary							
74,727,043* Equity shares of Svatantra Micro Housing Finance Corporation Limited of ₹ 10 each fully paid up	-	-		-	-	53,916.77	53,916.77
- in associate company							
13,46,11,109 Equity shares of Svatantra Microfin Private Limited of ₹ 10 each fully paid up	-	-	-	-	-	69,500.00	69,500.00
Total – Gross (A)	-	-	3,976.65	-	3,976.65	1,23,416.77	1,27,393.42
(a) Investments outside India	-	-	-	-	-	-	-
(b) Investments in India	-	-	3,976.65	-	3,976.65	1,23,416.77	1,27,393.42
Total – Gross (B)	-	-	3,976.65	-	3,976.65	1,23,416.77	1,27,393.42
Total of (A) to tally with (B)	-	-	-	-	-	-	-
Less: Impairment loss allowance (C)	-	-	-	-	-	-	-
Total – Net [D = (A) - (C)]	-	-	3,976.65	-	3,976.65	1,23,416.77	1,27,393.42

*Including 6 equity shares held by others as nominee of the Company.

5% Convertible Preference Shares of ₹ 100 each held by Svatantra Holdings Private Limited (SHPL) in Svatantra Microfin Private Limited (SMPL) converted in Equity Shares in the ratio of 13:9 i.e 9 CCPS of ₹ 100 each fully paid-up converted into 13 Equity Shares of ₹ 10 each fully paid up on 31st October 2024

JMT & ASSOCIATES MUMBAI FRN: 104767W CHARTERED ACCOUNTANTS

Svatantra Holdings Private Limited

4 Investments

Particulars	As at 31 March 2024						
	Amortised cost	At Fair Value			Subtotal	Others (At Cost)	Total
		Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss			
(I) Units of Mutual Fund							
35,736.039 Units of Aditya Birla Sunlife Liquid Fund - Growth - Direct	-	-	139.26	-	139.26	-	139.26
(II) Equity instruments							
- Unquoted							
- in subsidiary							
74,727,043* Equity shares of Svatantra Micro Housing Finance Corporation Limited of ₹ 10 each fully paid up	-	-	-	-	-	53,916.77	53,916.77
- in other company							
40,000,000 Equity shares of Svatantra Microfin Private Limited of ₹ 10 each fully paid up	-	27,273.00	-	-	27,273.00	-	27,273.00
(III) Preference instruments							
- Unquoted							
- in other company							
6,55,00,000 5% Compulsory Convertible Non-Cumulative Preference Shares of ₹ 100 each fully paid up of Svatantra Microfin Private Limited #	-	64,508.22		-	64,508.22	-	64,508.22
Total – Gross (A)	-	**91,781.22**	**139.26**	-	**91,920.48**	**53,916.77**	1,45,837.25
(a) Investments outside India	-	-	-	-	-	-	-
(b) Investments in India	-	91,781.22	139.26	-	**91,920.48**	53,916.77	**1,45,837.25**
Total – Gross (B)	-	**91,781.22**	**139.26**	-	**91,920.48**	**53,916.77**	1,45,837.25
Total of (A) to tally with (B)	-	-	-	-	-	-	-
Less: Impairment loss allowance (C)	-	-	-	-	-	-	-
Total – Net [D = (A) - (C)]	-	**91,781.22**	**139.26**	-	**91,920.48**	**53,916.77**	1,45,837.25

*Including 6 equity shares held by others as nominee of the Company.

'Pursuant to the Consent letter dated 16 Nov 2023, the aforesaid conversion term are revised as follows:

CCPS shall be compulsorily convertible into equity shares of the issuer company any time at the option of the CCPS holder in the ratio of 13:9 i.e. 9 CCPS of ₹ 100 each fully paid-up shall be convertible into 13 Equity Shares of ₹ 10 each fully paid up. If the CCPS Holder does not exercise the option to convert the CCPS in to equity shares before the expiry of 10 (Ten) years from the date of allotment of CCPS, then the CCPS shall be convertible into equity shares of the Company on the expiry of 10 (Ten) years from the date of allotment of CCPS. All other terms and conditions of CCPS shall remain in full force and effect.

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Svatantra Holdings Private Limited

Svatantra Holdings Private Limited
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Notes to the Standalone financial statements for the year ended on 31 March 2025

11 Share capital

(a) (i) Equity share capital

₹ in Lakhs

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
Authorised :				
Equity shares of ₹ 10 each	20,00,00,000	20,000.00	20,00,00,000	20,000.00
Preference share capital of ₹ 100 each	13,00,00,000	1,30,000.00	13,00,00,000	1,30,000.00
		1,50,000.00		**1,50,000.00**
Issued, subscribed and fully Paid-Up				
Equity shares of ₹ 10 each, fully paid up	3,14,55,933	3,145.59	1,00,000	10.00
Total issued, subscribed and fully paid up equity share capital		**3,145.59**		**10.00**

(ii) Rights preferences and restrictions attached to equity shares
The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Reconciliation of number and amount of shares outstanding:

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number	₹ in Lakhs	Number	₹ in Lakhs
Equity shares				
Shares outstanding at the beginning of the year	1,00,000	10.00	1,00,000	10.00
Shares issued during the period	3,13,55,933	3,135.59	-	-
Shares outstanding at the end of the period	**3,14,55,933**	**3,145.59**	**1,00,000**	**10.00**

(iv) Shares in the Company held by each shareholders holding more than 5 percent shares:

Name of shareholder	As at 31 March 2025		As at 31 March 2024	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Ananvashree Birla	3.14.45.933	99.96%	90.000	90.00%

(v) Disclosure of shareholding of promoters as at 31 March 2025 is as follows

Name of the Promoters	As at 31 March 2025		As at 31 March 2024		% change
	Nos.	% Holding	Nos.	% Holding	
Ananyashree Birla	3,14,45,933	99.96%	90,000	90.00%	9.96%
Anil Chirania	5,000	0.02%	5,000	5.00%	-4.98%
Shriram Jagetiya	5,000	0.02%	5,000	5.00%	-4.98%

(vi) Shares issued for consideration other than cash
The Company has not issued/ allotted any shares pursuant to contracts without payment being received in cash, nor issued any bonus shares nor there has been buy back of shares since incorporation i.e. 11 May 2018.

(b) (i) Instruments entirely equity in nature

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
6 % Compulsory convertible non cumulative preference shares (CCPS) of ₹ 100 each fully paid up	12,14,00,000	1,21,400.00	12,14,00,000	1,21,400.00

(ii) Rights preferences and restrictions attached to preference shares
The CCPS shall carry a fixed rate of dividend of 6% on the capital paid up thereon calculated on a proportionate basis from the date of allotment. The payment of dividend on CCPS will be on non-cumulative basis. The CCPS shall be compulsorily convertible into equity shares of the Company after the expiry of 10 years from the date of allotment of CCPS in the ratio of 10:1 i.e. 1 CCPS of ₹ 100 each fully paid up shall be convertible into 10 Equity shares of ₹ 10 each fully paid up. The CCPS will carry preferential rights vis-a-vis Equity Shares of the Company with respect to payment of dividend or repayment of capital during winding up. The CCPS holders shall not be entitled to participate in the surplus funds of the Company. The CCPS holders shall be non-participating in the surplus assets and profits on winding up which may remain after the entire capital has been repaid. The CCPS holders shall carry voting rights as per the provisions of Memorandum and Articles of the Company. All other terms, conditions and rights of the preference shareholders shall be subject to the provisions of the Memorandum and Article of Association of the Company and the Companies Act, 2013.

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(iii) Reconciliation of number and amount of shares outstanding:

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number	₹ in Lakhs	Number	₹ in Lakhs
Shares outstanding at the beginning of the year	12,14,00,000	1,21,400.00	11,64,00,000	1,16,400.00
Shares issued during the period	-	-	50,00,000	5,000.00
Shares outstanding at the end of the period	**12,14,00,000**	**1,21,400.00**	**12,14,00,000**	**1,21,400.00**

Allotment details	Allotment date	₹ in Lakhs
10,000,000 CCPS of ₹ 100 each	28-Sep-18	10,000.00
22,500,000 CCPS of ₹ 100 each	28-Sep-18	22,500.00
4,00,000 CCPS of ₹ 100 each	12-Dec-18	400.00
5,000,000 CCPS of ₹ 100 each	03-Sep-19	5,000.00
2,500,000 CCPS of ₹ 100 each	31-Dec-19	2,500.00
3,500,000 CCPS of ₹ 100 each	06-Feb-20	3,500.00
4,000,000 CCPS of ₹ 100 each	30-Mar-20	4,000.00
6,500,000 CCPS of ₹100 each	30-Sep-20	6,500.00
12,500,000 CCPS of ₹ 100 each	30-Mar-21	12,500.00
7,500,000 CCPS of ₹ 100 each	30-Sep-21	7,500.00
10,000,000 CCPS of ₹ 100 each	31-Dec-21	10,000.00
9,500,000 CCPS of ₹ 100 each	29-Mar-22	9,500.00
2,500,000 CCPS of ₹ 100 each	07-Oct-22	2,500.00
12,500,000 CCPS of ₹ 100 each	29-Dec-22	12,500.00
7,500,000 CCPS of ₹ 100 each	31-Mar-23	7,500.00
5,000,000 CCPS of ₹ 100 each	30-Dec-23	5,000.00
		1,21,400.00

(iv) Shares in the Company held by each shareholders holding more than 5 percent shares:

Name of shareholder	As at 31 March 2025		As at 31 March 2024	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
IGH Holdings Private Limited	12,14,00,000	100.00%	12,14,00,000	100.00%
Total	**12,14,00,000**	**100.00%**	**12,14,00,000**	**100.00%**

(v) Disclosure of shareholding of promoters :
There is no promoters shareholding in preference share capital as at 31 March 2025 and as at 31 March 2024.

12 Other equity

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
Securities premium		
Opening balance	-	-
Add: Premium received on issue	564.41	-
Less: Share issue expenses	0.19	-
Closing balance of Securities Premium (A)	**564.22**	-
Retained earnings		
At the beginning of the year	3,131.64	2,908.75
Profit for the year	5,562.03	223.15
Stamp duty on issue of 6% Compulsorily convertible non cumulative preference shares	-	(0.25)
Dividend Paid	(5,188.60)	-
Closing balance of retained earnings (B)	**3,505.07**	**3,131.64**
Other comprehensive income		
Equity Instrument through other comprehensive income		
At the beginning of the period	13,141.05	51,108.44
Other comprehensive income for the period	(16,673.48)	(37,967.39)
Closing balance of other comprehensive income (C)	**(3,532.44)**	**13,141.05**
Total (A+B+C)	**536.86**	**16,272.69**

JMT & ASSOCIATES ★ MUMBAI FRN. 104107W ★ CHARTERED ACCOUNTANTS

Svatantra Holdings Private Limited

13 Net gain/ (loss) on fair value changes

₹ in Lakhs

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Net gain/ (loss) on financial instruments at fair value through profit or loss		
- Investments in mutual funds	227.35	6.70
	227.35	**6.70**
Total net gain/ (loss) on fair value changes		
Fair value changes:		
- Realised	227.00	19.67
- Unrealised	0.35	(12.97)
Total net gain/ (loss) on fair value changes	**227.35**	**6.70**

14 Dividend Income

₹ in Lakhs

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Dividend Received	5,186.16	-
Total	**5,186.16**	**-**

15 Other Income

₹ in Lakhs

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Commission income on financial guarantee	310.00	301.81
Interest on IT Refund	0.06	-
Total	**310.06**	**301.81**

16 Other expenses

₹ in Lakhs

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Legal and professional charges	9.39	9.33
Payments to Auditors'		
- Audit fees	3.27	3.00
- Reimbursement of expenses	-	0.12
Interest on late payment of GST	17.79	-
Miscellaneous expenses	0.73	0.22
Total	**31.18**	**12.67**

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17 Contingent liabilities and capital commitments not provided for:

a) The Company has issued Corporate Guarantees to National Housing Bank on behalf of its subsidiary Svatantra Micro Housing Finance Corporation Limited (SMHFC) of Rs 30,600 Lakhs up to 31st March 2025 (Previous Year Rs 30,600 Lakhs).

b) There are no contracts remaining to be executed on capital account and not provided for as at 31 March 2025.

18 Tax expense

₹ in Lakhs

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Current tax		
Current tax for the year	53.77	-
Total	**53.77**	**-**
Deferred taxes		
Relating to origination and reversal of temporary differences	76.58	72.69
Net deferred tax expense	**76.58**	**72.69**
Income tax expense recognised in statement of profit and loss	**130.35**	**72.69**

Tax reconciliation

₹ in Lakhs

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Profit before tax	**5,692.38**	**295.84**
Statutory income tax rate	25.168%	25.168%
Tax at statutory income tax rate	1,432.66	-
Tax effect of amounts which are not deductible / not taxable in calculating taxable income		
Tax impact on non deductible items / additional deductible	(73.74)	-
Tax effect due to change in tax rate	0.10	-
Tax on Exempted Income	(1,305.25)	-
Income tax expense recognised in statement of profit and loss *	**53.77**	**-**

* There is no tax in previous year as the Company had tax losses.

Movement in deferred tax liabilities

₹ in Lakhs

Particulars	Fair value gain / (loss) on investments (FVTPL)	Financial guarantee commission (FVTPL)	Fair value gain / (loss) on investments (FVTOCI)
At 01 April 2023	**4.79**	**66.57**	**18,377.19**
Charged/(credited):			
- to profit or loss	(3.26)	75.96	(12,769.45)
At 31 March 2024	**1.53**	**142.53**	**5,607.74**
Charged/(credited):			
- to profit or loss	(1.44)	78.02	(5,607.74)
At 31st March, 2025	**0.09**	**220.55**	**-**

Deferred tax have not recognised on unused business losses on account of lack of reasonable certainty. Details of the same is given as under:

₹ in Lakhs

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Unused business losses	10.02	10.02
Total	**10.02**	**10.02**

19 Basic and diluted earnings per share

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Net Profit/(Loss) after tax attributable to equity holders (₹ in Lakhs)	5,562.03	223.15
Weighted average number of equity shares outstanding (numbers) - Basic and diluted*	1,21,44,29,533	1,17,67,04,918
Basic and diluted earnings per share (Nominal Value of share ₹ 10) (₹)	0.4580	0.0190

* Weighted average number of equity shares outstanding as at 31 March 2025 includes compulsorily convertible non cumulative preference shares

20 Segment Reporting:

In accordance with Indian Accounting Standard (Ind AS) 108, the Company operates in a single operating segment i.e. "Investment Activity" within India. Accordingly, no separate disclosure is required. The Board of Directors of the Company are collectively Chief Operating Decision Makers (CODMs) of the Company.

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21 Related Party Transactions:

(A) Relationships:

a) Subsidiary
Svatantra Micro Housing Finance Corporation Limited

b) Associate
Svatantra Microfin Private Limited w.e.f Oct, 31, 2024

b) Key Management Personnel (KMP)
Mr. Anil Chirania, Director
Mr. Shriram Jagetiya, Director

(B) Following transactions were carried out in the ordinary course of business with the parties referred to in (A) above:

Subsidiary

₹ in Lakhs

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
1) Transactions during the year		
a) Investment made in equity shares	-	5,000.00
b) Financial Guarantee given on behalf of subsidiary to National Housing Bank (NHB)	-	13,000.00
c) Reimbursement of Expenses	-	55.80
2) Carrying value/ outstanding balances		
a) Investment equity shares of Subsidiary	53,916.77	53,916.77
b) Investment in equity shares of Associate	69,500.00	-
c) Financial Guarantee given on behalf of subsidiary to National Housing Bank (NHB)	30,600.00	30,600.00
d) Receivable from Subsidiary	-	55.80

22 The Company was incorporated as a Private Limited Company on May 11, 2018 under the provisions of the Companies Act, 2013 ("Act"). The Company has become a Core Investment Company in terms of Core Investment Companies (Reserve Bank) Directions, 2016, issued by the Reserve Bank of India (RBI) on August 25, 2016 (as amended). Thus, particulars of loans and investments under the provisions of Section 186 of the Act are not applicable to the Company.

Additional information as required under Section 186 (4) of the Companies Act, 2013 during the year:

₹ in Lakhs

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Financial Guarantee given on behalf of subsidiary to National Housing Bank (NHB)	30,600.00	30,600.00
Maximum outstanding	30,600.00	30,600.00

ii. No investment is made in Body Corporate other than those mentioned in note 4.
iii. No Loans given by the Company to Body Corporate or person

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23 Additional Regulatory Information under MCA Notification dated March 24, 2021

i) The Company does not have any borrowings from banks and financial institutions.

ii) No proceedings have been initiated or pending against the Company for holding any benami property under The Prohibition of Benami Property Transactions Act, 1988 and the rules made thereunder.

iii) The Company has not taken any borrowings from banks or financial institutions on the basis of security of current assets. Hence, the submission of quarterly returns or statements of current assets with bank or financial institution is not required.

iv) The Company has not been declared as a Wilful Defaulter by any Bank or Financial Institution or other Lender.

v) The Company does not have any transactions with the companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

vi) There is no charge or satisfaction of charge which is yet to be registered with Registrar of Companies beyond the statutory period.

vii) Compliance with number of layers of companies: The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

viii) Analytical Ratio: Refer Note No : 24 of Notes to Financial Statement

ix) No Scheme of Arrangement concerning the Company has been approved by any Competent Authority

x) **Utilization of Borrowed funds and share premium:**

A) No funds (which are material either individually or in the aggregate) 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 –

i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") ; or

ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

B) No funds (which are material either individually or in the aggregate) has been received by the Company from any person or entity, including foreign entity ("Funding Party"), with the understanding (whether recorded in writing or otherwise) that the Company shall –

i) directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or;

ii) provide any guarantee, security, or the like on behalf of the Ultimate Beneficiaries.

xi) The Company does not have any transactions not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). Also, there are nil previously unrecorded income and related assets that have been recorded in the books of account during the year.

xii) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

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Svatantra Holdings Private Limited

24 Analytical Ratio

1. Capital to risk-weighted assets ratio (CRAR)
2. Tier I CRAR
3. Tier II CRAR
4. Liquidity Coverage Ratio

As the Company is an " Unregistered CIC" as per the Core Investment Companies (Reserve Bank) Directions, 2016, the above ratios are not applicable to the Company.

25 Financial Instruments and related disclosures

a) Categories of Financial Instruments

Set out below is a comparison, by class, of the carrying amounts and fair value of the Company's financial instruments:

₹ in Lakhs

Particulars	As at 31 March 2025				
	FVTPL	FVTOCI	Amortized cost	Total Carrying Value	Fair value
Financial Assets					
Cash and Cash Equivalents	-	-	3.30	3.30	3.30
Investments *	3,976.65	-	-	3,976.65	3,976.65
Other Financial Assets	-	-	1.28	1.28	1.28
Total	**3,976.65**	**-**	**4.58**	**3,981.23**	**3,981.23**
Financial Liabilities					
Trade payables	-	-	2.70	2.70	2.70
Other financial liabilities	-	-	2,037.56	2,037.56	2,037.56
Total	**-**	**-**	**2,040.26**	**2,040.26**	**2,040.26**

* excludes investments measured at cost (Refer note 4).

₹ in Lakhs

Particulars	As at 31 March 2024				
	FVTPL	FVTOCI	Amortized cost	Total Carrying Value	Fair value
Financial Assets					
Cash and Cash Equivalents	-	-	2.00	2.00	2.00
Investments *	139.26	91781.22	-	91,920.48	91,920.48
Other Financial Assets	-	-	-	-	-
Total	**139.26**	**91,781.22**	**2.00**	**91,922.48**	**91,922.48**
Financial Liabilities					
Trade payables	-	-	2.70	2.70	2.70
Other financial liabilities	-	-	2,347.56	2,347.56	2,347.56
Total	**-**	**-**	**2,350.26**	**2,350.26**	**2,350.26**

* excludes investments measured at cost (Refer note 4).

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Svatantra Holdings Private Limited

b) Fair Value Hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities. The financial instruments are categorized into three levels based on the inputs used to arrive at fair value measurements as described below:

Quoted prices in an active market (Level 1): Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price. The fair value of all mutual funds are valued using the closing NAV as at the reporting period.

Valuation techniques with observable inputs (Level 2): The fair value of financial instruments that are not traded in an active market (for example over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Valuation techniques with significant unobservable inputs (Level 3): If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unquoted preference shares and unquoted equity shares (rights) carried at FVTPL and unquoted equity securities carried at FVTOCI included in level 3.

₹ in Lakhs

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2025:			**Fair value measurement using**		
Particulars	**Date of valuation**	**Total**	**Quoted prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Financial Instruments measured at fair value:					
Investments at fair value through profit and loss (Note 4)					
Investments in mutual fund	31 March 2025	3,976.65	3976.65	-	-
Investments at fair value through OCI (Note 4)					
Investments in unquoted equity shares	31 March 2025	-	-	-	-
Investments in unquoted Compulsorily Convertible Non-Cumulative preference shares*	31 March 2025	-	-	-	-

There have been no transfers between Level 1 and Level 3 during the period.

Reconciliation of deferred Day 1 gain/(loss)

₹ in Lakhs

Particulars	**As at / For the year ended 31 March 2025**	**As at / For the year ended 31 March 2024**
Opening balance	-	15,028.17
Add: Deferred during the year	-	-
Less: recognised during the year	-	(15,028.17)
Closing balance	-	-

As at 31 March 2025, the Company has deferred gain of ₹ Nil (previous year ₹ Nil Lakhs) arises on initial measurement of financial assets for which the Level 3 fair value inputs have been used. The Company will recognise aforesaid deferred gain only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

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Svatantra Holdings Private Limited

₹ in Lakhs

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2024:			Fair value measurement using		
Particulars	**Date of valuation**	**Total**	**Quoted prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Financial Instruments measured at fair value:					
Investments at fair value through profit and loss (Note 4)					
Investments in mutual fund	31 March 2024	139.26	139.26	-	-
Investments at fair value through OCI (Note 4)					
Investments in unquoted equity shares	31 March 2024	27,273.00	-	-	27,273.00
Investments in unquoted Compulsorily Convertible Non-Cumulative preference shares*	31 March 2024	64,508.22	-	-	64,508.22

There have been no transfers between Level 1 and Level 3 during the period.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

1) Investment in Equity Instruments of Subsidiary Company are carried at cost.

2) Unquoted equity shares fair values have been arrived as per methods prescribed under Ind AS 113 Fair Value Measurement.

The valuation of unquoted preference shares requires management to make certain assumptions about the model inputs, including forecast of cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted preference shares and bonds. In case of instruments having option to convert with the Company, the management has assigned probable likelihood of conversion depending on equity stake in the target entity, domain of operation and liquidity. Wherever, the probability is low, valuation has been done based on redemption assumptions.

c) Sensitivity of fair value measurements to changes in unobservable market data

There were no significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy as at 31 March 2025 and accordingly no sensitivity analysis have been presented.

Further, the significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 March 2024 are as shown below:

Description of significant unobservable inputs to valuation:

₹ in Lakhs

Particulars	**Valuation Technique**	**Significant unobservable inputs**	**Range**	**Sensitivity of the input to fair value**
Investments in Unquoted Equity Instruments	DCF method (income approach)	Discount Rate as per Capital Asset Pricing Model	31 March 2024 CAPM Rate 12.40%	Fair Value when Interest Rate increases by 1% as on 31 March 2024 - ₹ 2,52,90.00 Lakhs Fair Value when Interest Rate decrease by 1% as on 31 March 2024 - ₹ 2,93,60.00 Lakhs
Investments in unquoted Compulsorily Convertible Non-Cumulative preference shares	DCF method (income approach)	Discount Rate as per Capital Asset Pricing Model	31 March 2024 CAPM Rate 12.40%	Fair Value when Interest Rate increases by 1% as on 31 March 2024 - ₹ 5,98,17.87 Lakhs Fair Value when Interest Rate decrease by 1% as on 31 March 2024 - ₹ 6,94,46.92 Lakhs

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25 **Financial Instruments and related disclosures (continue ....)**

d) **Financial risk management objectives and policies**

Risk management framework

The management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

(i) **Market risk**

Market risk is the risk that changes in market prices such as interest rates, will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments and long term debt. The objective of market risk management is to avoid exposure to interest rate risk.

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 does not have any exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations.

Currency Risk: Currency risk is the risk that the future cash flows of a financial instrument will change because of changes in currency rates. During the period under review, the company did not fact currency risk.

(ii) **Liquidity Risk**

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'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.

The Company monitors its risk of shortage of funds. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, optionally convertible bonds and debentures. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be moderate. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders helping it maintain adequate liquidity.

Liquidity risk management (based on commercial terms):

₹ in Lakhs

Particulars	On demand	Less than 3 months	3 to 12 months	> 12 months	Total
As on 31 March 2025					
Financial Liabilities					
Trade payable	-	2.70			2.70
Other financial liabilities	-	77.50	232.50	1,727.56	2,037.56
Total	**-**	**80.20**	**232.50**	**1,727.56**	**2,040.26**
As on 31 March 2024					
Financial Liabilities					
Trade payable	-	2.70	-	-	2.70
Other financial liabilities	-	75.45	226.36	2,045.75	2,347.56
Total	**-**	**78.15**	**226.36**	**2,045.75**	**2,350.26**

(iii) **Credit risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. Pledge obligation risk is the risk that may occur in case of default on part of Pledgee company which may immediately amount to loss of assets of Company. The Company has adopted a policy of only dealing with creditworthy counterparties to mitigating the risk of financial loss from defaults.

(iv) **Dividend Income risk**

Dividend income risk refers to the risk of changes in the Dividend income due to dip in the performance of the investee companies.

JMT & ASSOCIATES ★ CHARTERED ACCOUNTANTS ★ MUMBAI FRN: 104[illegible]W

Svatantra Holdings Private Limited

Svatantra Holdings Private Limited
CIN: U67200MH2018PTC309327
Notes to the Standalone financial statements for the year ended on 31 March 2025

26 The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

₹ in Lakhs

Particulars	Within 12 months	After 12 months	Total
As on 31 March 2025			
Assets			
Cash and cash equivalents	3.30	-	3.30
Investments	3976.65	123416.77	1,27,393.42
Other Financial Assets		1.28	1.28
Current tax assets (Net)		464.85	464.85
Total	**3,979.95**	**1,23,882.90**	**1,27,862.85**
Liabilities			
Trade payables	2.70	-	2.70
Other financial liabilities	310.00	1,727.56	2,037.56
Other non-financial liabilities	519.50	-	519.50
Total	**832.20**	**1,727.56**	**2,559.76**

₹ in Lakhs

Particulars	Within 12 months	After 12 months	Total
As on 31 March 2024			
Assets			
Cash and cash equivalents	2.00	-	2.00
Investments	139.26	1,45,697.99	1,45,837.25
Current tax assets (Net)	-	-	-
Total	**141.26**	**1,45,697.99**	**1,45,839.25**
Liabilities			
Trade payables	2.70	-	2.70
Other financial liabilities	301.81	2,045.75	2,347.56
Other non-financial liabilities	56.15	-	56.15
Total	**360.66**	**2,045.75**	**2,406.41**

Capital management

For the purpose of the Company's capital management, capital includes issued equity and preference capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value. The Company manages its capital to ensure that it will continue as going concern while maximising the return to stakeholders. The Company manages its capital structure and makes adjustment in light of changes in business condition. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep optimum gearing ratio. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
Trade payables	2.70	2.70
Other financial liabilities	2,037.56	2,347.56
Less: cash and cash equivalents	(3.30)	(2.00)
Net debt (A)	**2,036.96**	**2,348.26**
Equity share capital	3,145.59	10.00
Instruments entirely equity in nature	1,21,400.00	1,21,400.00
Other equity	536.86	16,272.69
Total member's capital (B)	**1,25,082.45**	**1,37,682.69**
Capital and net debt (C=A+B)	**1,27,119.41**	**1,40,030.95**
Gearing ratio (%) (A/C)	**1.60**	**1.68**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call borrowings. There have been no breaches in the financial covenants of any borrowings in the current year.
No changes were made in the objectives, policies or processes for managing capital during the aforesaid financial period.

JMT & ASSOCIATES * CHARTERED ACCOUNTANTS * MUMBAI FRN. 104167W

Svatantra Holdings Private Limited

Svatantra Holdings Private Limited
CIN: U67200MH2018PTC309327
Notes to the Standalone financial statements for the year ended on 31 March 2025

27 **Expenditure towards Corporate Social Responsibility (CSR) activities :**

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
Amount required to be spent by the company during the year	NIL	NIL
Amount of expenditure incurred	NIL	NIL
Shortfall at the end of the year	NA	NA
Total of previous years shortfall	NA	NA
Reason for shortfall	NA	NA
Nature of CSR activities	NA	NA
Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	NA	NA

The amount to be spent for the year is equivalent to at least 2% of average net profit of the immediately preceding three financial years. Since, the average net profit for the immediately preceding three financial years works out as losses, CSR liability does not arise for the current year.

28 The Board of Directors of the Company at their meeting held on 6th November 2024 have inter-alia considered and approved the Scheme of Amalgamation ("Scheme) of Svatantra Holdings Private Limited ("First Transferor Company"), Chaitanya India Fin Credit Private Limited ("Second Transferor Company") with and into Svatantra Microfin Private Limited (Tranferee Company) and their respective shareholders under Sections 230 to 232 read with Section 66 and other applicable provisions of The Companies Act, 2013. The said Scheme is subject to receipt of necessary approvals from statutory and regulatory authorities as may be necessary.

29 Previous year figures have been reclassified where necessary to confirm with the current year's presentation.

30 **Events after reporting date:**
There have been no events after the reporting date that require adjustment/disclosure in these financial statements.

Signatures to Notes 1 to 30

Summary of material accounting policies

The accompanying notes are an integral part of standalone financial statements

As per our report of even date attached

For JMT & Associates
Chartered Accountants
Firm's Registration No. 104167W

JMT & ASSOCIATES ★ MUMBAI FRN: 104167W ★ CHARTERED ACCOUNTANTS

Amar Bafna
Partner
Membership No: 048639

Place: Mumbai
Date: 20.06.2025
UDIN: 25048639BMHDHM9947

For and on behalf of the Board of Directors of
Svatantra Holdings Private Limited

Anil Chirania
Director
DIN: 01082719

Shriram Jagetiya
Director
DIN: 01638250

Vinit Tanna
Company Secretary
ACS A50504

Svatantra Holdings Private Limited ★

S.N. Dhawan & CO LLP
Chartered Accountants

51-52, II Floor, Udyog Vihar Phase IV,
Gurugram, Haryana 122016, India
Tel: +91 124 481 4444

INDEPENDENT AUDITOR'S REPORT

To the Members of Chaitanya India Fin Credit Private Limited

Report on the Audit of the Financial Statements

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

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

Sr.No.	Key Audit Matter	Auditor's Response
1.	**Allowances for Expected Credit Losses:** (Refer Note 7 to the financial statements) As at March 31, 2025 loan assets aggregated ₹ 627,097.97 lakhs, constituting 90% of the Company's total assets. Significant judgement is used in classifying these loan assets and applying appropriate measurement principles. The allowance for expected creditlosses ("ECL") on such loan assets measured at amortised cost is a	**Principal audit procedures performed:** Read the policies approved by the Board of Directors of the Company that articulate the objectives of managing each portfolio and their business models. Evaluated the management estimates by understanding the process of ECL estimation and related assumptions and tested the controls around data extraction, validation and computation.

	critical estimate involving greater level of management judgement. As part of our risk assessment, we determinedthat the allowance for ECL on loan assets has a high degree of estimation uncertainty, with a potential range of reasonable outcomes for the financial statements. The elements of estimating ECL which involved increased level of audit focus are the following: • Qualitative and quantitative factors used in staging the loan assets measured at amortised cost. • Basis used for estimating Probabilities of Default ("PD"), • Basis used for estimating Loss Given Default ("LGD") • Judgements used in projecting economic scenarios and probability weights applied to reflect future economic conditions. • Adjustments to model driven ECL results to address emerging trends.	Assessed the methodology adopted for computation of ECL ("ECL Model") that addresses policies approved by the Board of Directors, procedures and controls for assessing and measuring credit risk on all lending exposures measured at amortised cost. Tested that adjustment done to the output of the ECL Model is consistent with the documented rationale and basis for such adjustments and that the amount of adjustment has been approved by the Board of Directors. Checked disclosures made in relation to the ECL allowance in financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

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

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

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

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

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

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial

statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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



Other Matter

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

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

Report on Other Legal and Regulatory Requirements

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

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

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

(c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

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

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

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

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

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

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 40 to the financial statements;

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

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

(iv) (a). The Management has represented that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other

sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b). The Management has represented, that, to the best of it's knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

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

(vi) Based on our examination which included test checks, the Company has used multiple accounting software for maintaining its books of account for the financial year ended March 31, 2025, which has a feature of recording audit trail (edit log) facility and the same has been operating throughout the year for all relevant transactions recorded in the respective software except for certain fields and tables at application level for a software (Oracle).

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

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

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

Place: Gurgaon
Date: May 23, 2025

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(Amount Rs. in lakhs)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(b) The Company has conducted Non-Banking Financial activities with a valid Certificate of Registration (COR) from the Reserve Bank of India (RBI) as per the Reserve Bank of India Act, 1934.



The Company has not conducted any Housing Finance activities and hence not required to obtain certificate of registration for such activities.

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

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

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

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

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

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

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

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

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

Place: Gurgaon
Date: May 23, 2025

Annexure B

Independent Auditor's report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Chaitanya India Fin Credit Private Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

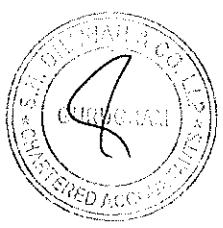
Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by the Institute of Chartered Accountants of India ("the ICAI") and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to Financial Statements

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



Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

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

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

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

Place: Gurgaon
Date: May 23, 2025

Chaitanya India Fin Credit Private Limited
Balance Sheet as at March 31, 2025
(All amounts in ₹ Lakhs unless otherwise stated)

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

See accompanying notes forming part of the financial statements.

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

Vineet Bijendra Chattree
Whole Time Director
DIN No. 07962531

Mumbai
23.05.2025

Anand Rao
Managing Director
DIN: 01713987

Bengaluru
23.05.2025

Rakesh Yadav
Chief Financial Officer

Mumbai
23.05.2025

Neeraj Jain
Company Secretary
Membership No: 12273
Mumbai
23.05.2025

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

Rahul Singhal
Partner
Membership No. 096570

Gurugram
23.05.2025

Chaitanya India Fin Credit Private Limited
Statement of Profit and Loss for the year ended March 31, 2025
(All amounts in ₹ Lakhs unless otherwise stated)

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

See accompanying notes forming part of the financial statements.

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

Vineet Bijendra Chattree
Whole Time Director
DIN No. 07962531

Mumbai
23.05.2025

Rakesh Yadav
Chief Financial Officer

Mumbai
23.05.2025

Anand Rao
Managing Director
DIN: 01713987

Bengaluru
23.05.2025

Neeraj Jain
Company Secretary
Membership No: 12273
Mumbai
23.05.2025

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

Rahul Singhal
Partner
Membership No. 096570

Gurugram
23.05.2025

Chaitanya India Fin Credit Private Limited
Statement of Cash Flows for the year ended March 31, 2025
(All amounts in ₹ Lakhs unless otherwise stated)

Particulars		For the year ended March 31, 2025	For the year ended March 31, 2024
A.	**Cash flow from operating activities**		
	Profit before tax	33,821.01	38,894.25
	ESOP expenses credited to ESOP reserve	-	299.28
	Contribution to employee stock option scheme	-	126.47
	Depreciation and amortisation	981.24	723.47
	Income on lease termination	-	(41.37)
	Interest expense on lease liability	66.43	71.71
	Loss/(gain) on sale of property, plant and equipment (net)	1.55	4.43
	Impairment of financial instruments	21,598.78	7,793.47
	EIR adjustment on financial instruments	2,071.82	230.52
	Net change in fair value of loans measured at fair value through other comprehensive income	(148.51)	176.58
	Net gain on sale of investments	(648.23)	(993.75)
	Net gain on fair value changes on investment	(3.49)	24.74
	Gain on sale of loan portfolio through assignment	(10,864.61)	(16,090.52)
	Operating profit before working capital changes	**46,875.99**	**31,219.28**
	Movements in working capital:		
	(Increase) / decrease in loans	(1,36,368.76)	(1,43,333.21)
	(Increase) / decrease in receivables	(9.80)	(312.62)
	(Increase)/ decrease in other financial assets	12,214.59	11,355.15
	(Increase) / decrease in other non-financial assets	(765.50)	(1,926.67)
	Increase/ (decrease) in payables	496.03	(478.37)
	Increase / (decrease) in other financial liabilities	(7,894.08)	6,134.08
	Increase/ (decrease) in provisions	504.82	(865.66)
	Increase / (decrease) in non-financial liabilities	76.37	(785.14)
	Cash used in operations	**(84,870.34)**	**(98,993.16)**
	Direct taxes paid (net of refunds)	(12,196.10)	(9,581.05)
	Net cash flows used in operating activities (A)	**(97,066.44)**	**(1,08,574.21)**
B.	**Cash flow from investing activities**		
	Purchase of property, plant and equipment and intangible assets	(959.91)	(1,338.06)
	Proceeds from sale of property, plant and equipment and intangible assets	6.66	0.99
	Proceeds from sale of Investments	25,30,742.47	33,31,877.87
	Purchase of Investments	(25,31,548.51)	(33,28,990.56)
	(Investment) in/ withdrawal of Bank Deposits	(1,130.39)	(2,256.60)
	Net cash flows used in investing activities (B)	**(2,889.68)**	**(706.36)**
C.	**Cash flow from financing activities**		
	Proceeds from issue of equity shares (including securities premium)	17,691.77	7,500.00
	Proceeds from debt securities	-	23,500.00
	Repayment of debt securities	(6,250.00)	(7,150.00)
	Proceeds from other than debt securities	4,07,299.25	3,39,605.63
	Repayment of other than debt securities	(3,22,255.90)	(2,55,741.87)
	Repayment of subordinated debt	(1,500.00)	-
	Lease payments	(206.18)	(191.79)
	Net cash flows from financing activities (C)	**94,778.94**	**1,07,521.97**
	Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(5,177.18)	(1,758.60)
	Cash and cash equivalents at the beginning of the year	32,403.40	34,162.00
	Cash and cash equivalents at the end of the year	**27,226.22**	**32,403.40**

CHAITANYA INDIA FIN CREDIT PRIVATE LIMITED

S.N. DHAWAN & CO. LLP GURUGRAM CHARTERED ACCOUNTANTS

Chaitanya India Fin Credit Private Limited
Statement of Cash Flows for the year ended March 31, 2025
(All amounts in ₹ Lakhs unless otherwise stated)

Components of cash and cash equivalents

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

See accompanying notes forming part of the financial statements.

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

Vineet Bijendra Chattree
Whole Time Director
DIN No. 07962531

Mumbai
23.05.2025

Anand Rao
Managing Director
DIN: 01713987

Bengaluru
23.05.2025

Rakesh Yadav
Chief Financial Officer

Mumbai
23.05.2025

Neeraj Jain
Company Secretary
Membership No: 12273
Mumbai
23.05.2025

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

Rahul Singhal
Partner
Membership No. 096570

Gurugram
23.05.2025

Chaitanya India Fin Credit Private Limited

Statement of Changes in Equity for the year ended March 31, 2025

(All amounts in ₹ Lakhs unless otherwise stated)

A. Equity share capital

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

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

A. Equity share capital

(1) Current reporting period

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

(2) Previous reporting period

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

B. Other equity

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

CHAITANYA INDIA FIN CREDIT PRIVATE LIMITED

S.N. DHAWAN & CO. LLP CHARTERED ACCOUNTANTS GURUGRAM

Chaitanya India Fin Credit Private Limited
Statement of Changes in Equity for the year ended March 31, 2025
(All amounts in ₹ Lakhs unless otherwise stated)

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

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

Vineet Bijendra Chattree
Whole Time Director
DIN No. 07962531

Mumbai
23.05.2025

Anand Rao
Managing Director
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Company Secretary
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Mumbai
23.05.2025

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

Rahul Singhal
Partner
Membership No. 096570

Gurugram
23.05.2025

Chaitanya India Fin Credit Private Limited
Summary of material accounting policies and explanatory information for the year ended March 31, 2025

1. CORPORATE INFORMATION

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

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

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

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

The Company is treated as a middle layer Non-Banking Financial Company – Micro Finance Institutions (MFIs) as the assets size of the group (consolidated assets size of the Company and its Holding Company put together) INR 1000 Crores and above (by virtue of RBI Master Direction (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, dated 19th October, 2023).

2. BASIS OF PREPARATION

A. BASIS OF MEASUREMENT

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

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

These financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, RBI directions to NBFCs and Division III to Schedule III of the Act. Accounting policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires a change in the Accounting Policy hitherto in use. These financial statements have been prepared in a going concern basis.

B. PRESENTATION OF FINANCIAL STATEMENTS

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

i. The normal course of business
ii. The event of default

CHAITANYA INDIA FIN CREDIT PRIVATE LIMITED
S.N. DHAWAN & CO. LLP GURUGRAM CHARTERED ACCOUNTANTS

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

C. STATEMENT OF COMPLIANCE

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

The Financial statements for the year ended March 31, 2025, have been prepared in accordance with Ind AS and other applicable guidelines issued by the Reserve Bank of India ('RBI'). The financial statements for the year were authorised and approved for issue by the Board of Directors on May 23, 2025.

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

D. MATERIAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

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

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

i. Business model assessment

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

ii. Defined employee benefit assets and liabilities

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

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obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

iii. Impairment of loans portfolio

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

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

iv. Liabilities and provisions other than impairment on loan portfolio

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

v. Effective Interest Rate (EIR) method

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

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

vi. Other estimates:

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

3. MATERIAL ACCOUNTING POLICIES

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

3.1 Financial Instruments

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

Initial recognition and measurement

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

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i. Financial assets measured at amortised cost

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

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

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

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

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

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

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

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

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

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

De-recognition of financial assets:

Financial assets (or where applicable, a part of financial asset or part of a group of similar financial assets) are derecognised (i.e. removed from the Company's balance sheet) when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. Further, if the Company has not retained control, it shall also de-recognise the financial asset and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer.

De-recognition of financial liabilities

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

Compound financial instruments

Convertible instruments are separated into liability and equity components based on the terms of the contract. On issuance of the said instruments, the liability component is arrived by discounting the gross sum (including redemption premium, if any) at a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost until it is extinguished on conversion or redemption.

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The remainder of the proceeds is recognised as equity component of compound financial instrument. This is recognised and included in shareholders' equity, net of income tax effects, and not subsequently re-measured.

Off-setting of financial instruments

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

v. Impairment of financial assets

Overview of the Expected Credit Loss (ECL) principles

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

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

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

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

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

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

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

Stage 1

All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The Company classifies all standard advances and advances upto 30 days default under this category. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.

Stage 2

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

Stage 3

All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified in this stage. For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective

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interest rate to the amortised cost (net of provision) rather than the gross carrying amount. 90 Days Past Due is considered as default for classifying a financial instrument as credit impaired. If an event (for eg. any natural calamity) warrants a provision higher than as mandated under ECL methodology, the Company may classify the financial asset in Stage 3 accordingly.

Credit-impaired financial assets:

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

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

i. Significant financial difficulty of the borrower or issuer;
ii. A breach of contract such as a default or past due event;
iii. The restructuring of a loan or advance by the Company on terms that the company would not consider otherwise;
iv. It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
v. The disappearance of an active market for a security because of financial difficulties.

The mechanics of ECL:

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

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

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

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

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

Forward looking information

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

vi. Write-offs

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

vii. Determination of fair value

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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viii. Assignment and Co-lending akin to assignment transaction

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

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

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

3.2 Revenue from operations

i. Recognition of interest income

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

The EIR in case of a financial asset is computed:

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

ii. Fees & Commission Income

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

iii. Income from assignment transactions

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

iv. Recoveries of financial assets written off

The Company recognises income on recoveries of financial assets written off on realisation.

v. Miscellaneous income

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

3.3 Expenses

i. Finance costs

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

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The EIR in case of a financial liability is computed:

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

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

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

ii. Retirement and other employee benefits

Short term employee benefits

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

Post-employment employee benefits

a) Defined contribution schemes

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

b) Defined Benefit schemes

Gratuity

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

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

An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to

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the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

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

Other long-term employee benefits

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

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

iii. Leases

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

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

iv. Other income and expenses

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

v. Impairment of non-financial assets

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

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

vi. Taxes

Current tax

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

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying

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transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

Deferred tax assets are only recognised for temporary differences, unused tax losses and unused tax credits if it is probable that future taxable amounts will arise to utilise those temporary differences and losses. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3.4 Cash and cash equivalents

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

3.5 Property, plant and equipment

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

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

Depreciation and amortization

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

Property, plant and equipment:

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

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

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

3.6 Intangible assets

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

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

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

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

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

3.7 Provisions

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

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

3.8 Contingent liabilities

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

3.9 Earnings per share

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

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Summary of material accounting policies and explanatory information for the year ended March 31, 2025

3.10 Statement of cash flows

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

3.11 Segment reporting

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

3.12 Share based payments

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

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

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

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

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

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4 Cash and cash equivalents

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

5 Bank balance other than cash and cash equivalents

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

6 Trade receivables (at amortised cost)

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

The Company does not have any receivables which are either credit impaired or where there is significant increase in credit risk.
*Receivables considered good are expected to be realised within one year.

Note 6.1 Trade receivables

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

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Note 6.2 Trade receivables

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

7 Loans

Particulars	As at March 31, 2025			As at March 31, 2024		
	Amortised cost	At fair value through OCI	Total	Amortised cost	At fair value through OCI	Total
Term loans						
i) Secured by Tangible Assets						
Secured - Mortgage housing loans	0.64	-	0.64	120.44	-	120.44
Secured - Small Business Loans	-	-	-	5.02	-	5.02
Secured - Livestock Loan	-	-	-	23.52	-	23.52
ii Unsecured Loan				-		
Unsecured - Retails	1,809.04	-	1,809.04	1,017.87	-	1,017.87
Unsecured - Joint liability loans	6,49,624.67	-	6,49,624.67	4,67,706.86	56,235.57	5,23,942.43
Total (A) - Gross	**6,51,434.35**	**-**	**6,51,434.35**	**4,68,873.71**	**56,235.57**	**5,25,109.28**
Less : Impairment loss allowance	(24,400.14)	-	(24,400.14)	(11,084.02)	(1,139.32)	(12,223.34)
Total (A) - Net	**6,27,034.21**	**-**	**6,27,034.21**	**4,57,789.69**	**55,096.25**	**5,12,885.94**
Others - Loans to employees						
Unsecured	68.67	-	68.67	59.99	-	59.99
Total (B) - Gross	**68.67**	-	**68.67**	**59.99**	-	**59.99**
Less : Impairment loss allowance	(4.91)	-	(4.91)	(0.76)	-	(0.76)
Total (B) - Net	**63.76**	-	**63.76**	**59.23**	-	**59.23**
Total loans (A+B) - Net	**6,27,097.97**	**-**	**6,27,097.97**	**4,57,848.92**	**55,096.25**	**5,12,945.17**
Loans in India						
Public sector	-	-	-	-	-	-
Others	6,51,503.02	-	6,51,503.02	4,68,933.70	56,235.57	5,25,169.27
Total - Gross	**6,51,503.02**	**-**	**6,51,503.02**	**4,68,933.70**	**56,235.57**	**5,25,169.27**
Less : Impairment loss allowance	(24,405.05)	-	(24,405.05)	(11,084.78)	(1,139.32)	(12,224.10)
Total - Net	**6,27,097.97**	**-**	**6,27,097.97**	**4,57,848.92**	**55,096.25**	**5,12,945.17**

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

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7 Loans (contd.)

Credit quality of assets

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

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

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

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

Particulars	As at March 31, 2025				As at March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount -opening balance	**5,22,748.96**	**872.03**	**1,548.28**	**5,25,169.27**	**3,82,640.10**	**342.30**	**1,072.20**	**3,84,054.60**
New assets originated*	5,15,881.31	-	-	5,15,881.31	4,52,438.19	-	-	4,52,438.19
Movement between stages								
Transferring from Stage 1	(26,490.68)	9,407.37	17,083.31	-	(3,226.64)	871.48	2,355.16	-
Transferring from Stage 2	0.46	(762.34)	761.88	-	0.35	(175.37)	175.02	-
Transferring from Stage 3	0.62	0.60	(1.22)	-	2.50	0.01	(2.51)	-
Assets repaid and derecognized	(3,80,153.01)	(109.37)	(62.04)	(3,80,324.42)	(3,09,105.54)	(166.39)	(393.42)	(3,09,665.35)
Write-off	-	-	(9,223.14)	(9,223.14)	-	-	(1,658.17)	(1,658.17)
Gross carrying amount- closing balance	**6,31,987.66**	**9,408.29**	**10,107.07**	**6,51,503.02**	**5,22,748.96**	**872.03**	**1,548.28**	**5,25,169.27**

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

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

7 Loans (contd.)

Reconciliation of ECL balance is given below:

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

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

8 Investments

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

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8 Investments

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

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

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9 Other financial assets (unsecured, considered good)

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

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

Movement of impairment loss

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

10 Deferred tax assets (net)

Particulars	As at March 31, 2025	As at March 31, 2024
(A) Deferred tax assets		
Provision for employee benefits & other payables	583.13	400.59
Difference in written down value as per books and Income Tax Act	28.33	33.84
Impairment allowance for loans	5,461.09	2,532.50
Impairment allowance for other receivables	40.99	45.96
Financial assets measured at amortised cost	1,238.58	1,034.69
Impact of lease liability and ROU asset	14.78	-
Others	-	7.06
Total deferred tax assets	**7,366.90**	**4,059.64**
(B) Deferred tax liabilities		
Financial liabilities measured at amortised cost	449.45	766.56
Deferment of upfront EIS and servicing obligation recorded for assignment	1,458.00	2,001.50
Fair value change of loans through other comprehensive income	-	37.38
Impact of lease liability and ROU asset	-	0.11
Others	0.99	0.99
Total deferred tax liabilities	**1,908.44**	**2,806.54**
Net deferred tax asset	**5,458.46**	**1,253.10**

(i) Movement in deferred tax assets (net)

Particulars	Balance as at April 01, 2024	(Charged)/ credited to statement of profit and loss	(Charged)/ credited to other comprehensive income	Charged to other equity	As at March 31, 2025
(A) Deferred tax assets					
Provision for employee benefits	400.59	176.86	5.68	-	583.13
Difference in written down value as per Companies Act and Income Tax Act	33.84	(10.51)	-	-	28.33
Impairment allowance for loans	2,532.50	2,928.59	-	-	5,461.09
Impairment allowance for other receivables	45.96	(4.97)	-	-	40.99
Financial assets measured at amortised cost	1,034.69	203.89	-	-	1,238.58
Impact of lease liability and ROU asset	-	14.78	-	-	14.78
Others	7.06	(7.06)	-	-	-
Total deferred tax assets	**4,059.64**	**3,301.58**	**5.68**	**-**	**7,366.90**
(B) Deferred tax liabilities					
Financial liabilities measured at amortised cost	766.56	(317.11)	-	-	449.45
Deferment of upfront EIS and servicing obligation recorded for assignment	2,001.50	(543.50)	-	-	1,458.00
Fair value change of loans through other comprehensive income	37.38	-	(37.38)	-	-
Impact of lease liability and ROU asset	0.11	(0.11)			-
Others	0.99	-	-	-	0.99
Total deferred tax liabilities	**2,806.54**	**(860.72)**	**(37.38)**	**-**	**1,908.44**
Net deferred tax asset	**1,253.10**	**4,162.30**	**43.06**	**-**	**5,458.46**

(i) Movement in deferred tax assets (net)

Particulars	Balance as at April 01, 2023	(Charged)/ credited to statement of profit and loss	(Charged)/ credited to other comprehensive income	Charged to equity	As at March 31, 2024
(A) Deferred tax assets					
Provision for employee benefits	276.30	122.76	1.53	-	400.59
Difference in written down value as per Companies Act and Income Tax Act	80.10	(41.26)	-	-	33.84
Impairment allowance for loans	1,252.30	1,280.20	-	-	2,532.50
Impairment allowance for other receivables	71.30	(25.34)	-	-	45.95
Financial assets measured at amortised cost	892.79	141.90	-	-	1,034.69
Others	-	7.06	-	-	7.06
Total deferred tax assets	**2,572.79**	**1,485.32**	**1.53**	**-**	**4,059.64**
(B) Deferred tax liabilities					
Financial liabilities measured at amortised cost	554.60	212.11	-	-	766.56
Deferment of upfront EIS and servicing obligation recorded for assignment	1,141.20	860.30	-	-	2,001.50
Fair value change of loans through other comprehensive income	(7.06)	-	44.44	-	37.38
Impact of lease liability and ROU asset	(6.50)	6.61			0.11
Others	0.99	-	-	-	0.99
Total deferred tax liabilities	**1,683.23**	**1,079.02**	**44.44**	**-**	**2,806.54**
Net deferred tax asset	**889.56**	**406.30**	**(42.91)**	**-**	**1,253.10**

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11 Property, plant and equipment

Particulars	Computer and accessories	Furniture and fixtures	Vehicles	Electrical equipment	Office equipment	Total
As at April 01, 2023	**1,275.95**	**984.45**	**0.99**	**198.33**	**239.67**	**2,699.39**
Additions	665.40	210.62	-	75.84	64.74	1,016.60
Adjustments/ regrouping	-	-	-	-	-	-
Reversal on disposal of assets	5.46	20.78	-	1.11	1.31	28.66
As at March 31, 2024	**1,935.89**	**1,174.29**	**0.99**	**273.06**	**303.10**	**3,687.33**
Additions	342.71	230.40	-	98.95	86.10	758.16
Adjustments/ regrouping	-	-	-	-	-	-
Reversal on disposal of assets	144.14	2.09	-	7.16	0.27	153.66
As at March 31, 2025	**2,134.46**	**1,402.60**	**0.99**	**364.85**	**388.93**	**4,291.83**
Accumulated depreciation and impairment						
As at April 01, 2023	**778.42**	**346.03**	**0.87**	**66.12**	**83.26**	**1,274.70**
Charge for the year	294.53	75.95	0.02	17.58	40.58	428.66
Adjustments/ regrouping	-	-	-	-	-	-
Reversal on disposal of assets	4.93	16.29	-	0.88	1.13	23.23
As at March 31, 2024	**1,068.02**	**405.69**	**0.89**	**82.82**	**122.71**	**1,680.13**
Charge for the year	449.85	104.04	0.02	26.63	54.25	634.79
Adjustments/ regrouping	-	-	-	-	-	-
Reversal on disposal of assets	137.53	1.76	-	5.96	0.20	145.45
As at March 31, 2025	**1,380.34**	**507.97**	**0.91**	**103.49**	**176.76**	**2,169.47**
Net carrying amount as at March 31, 2025	**754.12**	**894.63**	**0.08**	**261.36**	**212.17**	**2,122.36**
Net carrying amount as at March 31, 2024	**867.87**	**768.60**	**0.10**	**190.24**	**180.39**	**2,007.20**

12 Carrying value of right of use assets at the end of the reporting year by class

Premises

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

13 Other intangible assets

Particulars	Computer software
Gross block	
As at April 01, 2023	313.12
Additions	321.46
Reversal on disposal of assets	-
As at March 31, 2024	634.58
Additions	104.71
Reversal on disposal of assets	-
As at March 31, 2025	**739.29**
Accumulated amortisation and impairment:	
As at April 01, 2023	**144.52**
Charge for the year	131.93
Reversal on disposal of assets	-
As at March 31, 2024	**276.45**
Charge for the year	174.79
Reversal on disposal of assets	-
As at March 31, 2025	**451.24**
Net carrying amount as at March 31, 2025	**288.05**
Net carrying amount as at March 31, 2024	**358.13**

13.1 Intangible assets under development (IAUD)

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

Ageing Schedule

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

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14 Other non-financial assets

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

15 Trade payables

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

15.1 Trade payables ageing is as follows:

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

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

16 A. Debt securities secured (at amortised cost)

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

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

B. Debt securities unsecured (at amortised cost)

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

For terms refer note no 18.1 & 18.2

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17 Borrowings (other than debt securities) (at amortised cost)

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

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

18 Subordinated liabilities (at amortised cost)

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

For terms refer note 18.1 & 18.2

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18. 1 Terms of debentures*

Terms of debentures	Number of debentures		Face value in ₹		Amount	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Secured						
10.10% Rated, Listed, Senior, Secured, Redeemable, Transferable Non-Convertible Debentures dated 10 October 2023	2,500	2,500	66,667	1,00,000	1,666.67	2,500.00
9.32% Rated, Unlisted, Senior, Secured, Redeemable, Taxable, Transferable, non-convertible debentures dated 30 March 2021	-	500	-	7,50,000	-	3,750.00
Unsecured						
10.55% Senior Unsecured, Rated, Listed, Transferable, Redeemable, Non-Convertible Debentures dated 30 September 2023	10,000	10,000	1,00,000	1,00,000	10,000.00	10,000.00
10.45% Rated, Listed, Senior, Unsecured, Redeemable, Transferable Non-Convertible Debentures dated 10 October 2023	2,500	2,500	33,333	1,00,000	833.33	2,500.00
9.75% Senior Unsecured, Rated, Listed, Transferable, Redeemable, Non-Convertible Debentures dated 10 November 2023	8,500	8,500	1,00,000	1,00,000	8,500.00	8,500.00
12.83% Senior Unsecured, Rated, Listed, Transferable, Redeemable, Non-Convertible Debentures dated 28 July 2022	500	500	10,00,000	10,00,000	5,000.00	5,000.00
Subordinated debts						
12.40% Subordinated, Rated, Unlisted, Unsecured, Redeemable, Taxable, Non-Convertible Debentures dated 21 November 2022	750	750	5,00,000	5,00,000	3,750.00	3,750.00
12.40% Subordinated, Rated, Unlisted, Unsecured, Redeemable, Taxable, Non-Convertible Debentures dated 21 November 2022	750	750	5,00,000	5,00,000	3,750.00	3,750.00
12.40% Subordinated, Rated, Listed, Unsecured, Redeemable, Taxable, Non-Convertible Debentures dated 21 Feb 2023	12,500	12,500	1,00,000	1,00,000	12,500.00	12,500.00

* The amounts as on March 31, 2025 and March 31, 2024 are outstanding amounts denominated at face value of the respective securities.
Note: There were no delays in repayment of borrowings during FY 2024-25 and FY 2023-24.

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

Maturity pattern of debt securities

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

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

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

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

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

Maturity pattern of subordinated liabilities

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

Maturity pattern of liability against securitised assets

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

All the above mentioned repayments are disclosed at principal outstanding only as per the contractual maturities at gross values.
Interest rates are the rates applicable as at 31 March 2025 and 31 March 2024.

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18.3 Reconciliation of Financing Activity

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

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

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19 Other financial liabilities

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

20 Current Tax Asset/ Liability

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

21 Provisions

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

21.1 Movement of Employee Stock Option Plan

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

22 Other non-financial liabilities

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

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	Particulars	As at March 31, 2025	As at March 31, 2024
23	**AUTHORISED SHARE CAPITAL**		
	25,35,00,000 equity shares of ₹ 10 each	25,350.00	25,350.00
	(Previous year 25,35,00,000 equity share of Rs. 10 each)		
	1,80,00,000 preference shares of ₹ 10 each	1,800.00	1,800.00
	(Previous year 1,80,00,000 preference share of Rs. 10 each)		
	Total authorised capital	**27,150.00**	**27,150.00**
	EQUITY SHARE CAPITAL		
	Issued, subscribed and fully paid up share capital		
	Equity shares		
	17,97,39,999 equity shares of Rs. 10 each fully paid-up	17,974.00	15,766.67
	(Previous year 15,76,66,666 equity share of Rs. 10 each)		
	Total equity share capital	**17,974.00**	**15,766.67**

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

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

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

b. Terms/ rights attached to equity shares

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

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

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

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

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

e. Details of shareholding of Promoters

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

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

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

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24 Other equity

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

Nature and purpose of reserves

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

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

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

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

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25 Interest income

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

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

26 Fees and commission income

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

27 Net gain on fair value changes

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

28 Net gain on derecognition of financial instruments under amortised cost category

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

29 Other operating income

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

30 Other income

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

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31 Finance costs (On financial liabilities measured at amortised cost)

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

32 Impairment of financial assets

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

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

33 Employee benefits expenses

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

34 Depreciation and amortisation expenses

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

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35 Other expenses

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

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

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

Note: Amount disclosed above are inclusive of GST expensed out.
Includes Rs. 9.76 lakhs paid to predecessor auditor

36 Tax expense

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

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

Reconciliation of the total tax charge:

The major components of tax expense and its reconciliation to expected tax expense based on the enacted tax rate applicable to the Company is 25.17% and the reported tax expense in statement of profit and loss are as follows:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Accounting profit before tax	**33,821.01**	**38,894.25**
Income tax rate	25.17%	25.17%
Expected tax expense	8,512.06	9,788.90
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense		
Tax impact of expenses not allowed for tax deduction	778.34	134.96
Tax impact on deductions allowed under income tax	(1,047.89)	(610.57)
Others	2.14	6.98
Income tax expense reported in the statement of profit and loss	**8,244.65**	**9,320.27**

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37 Earnings per share

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Net profit for the year for basic and diluted earnings per share	**25,576.36**	**29,573.98**
Nominal value of equity share (in ₹)	10.00	10.00
Weighted-average number of equity shares for basis and diluted earnings per share	**16,40,16,529**	**15,50,71,038**
Basic earnings per equity share (in ₹)	15.59	19.07
Diluted earnings per equity share (in ₹)	15.59	19.07

38 Retirement benefit plan

Defined contribution plan

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund and other funds which are defined contribution plans. The Company has no obligations other than this to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognized ₹ 2,035.71 Lakhs for the year ended March 31, 2025 (March 31, 2024: ₹ 1,394.11 Lakhs) for Provident Fund contributions and ₹ 494.62 Lakhs for the year ended March 31, 2025 (March 31, 2024: ₹ 335.53 Lakhs) for Employee State Insurance Scheme contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the Schemes.

Defined benefit plan

The Company provides for the gratuity, a defined benefit retirement plan covering qualifying employees. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by the number of years of service. The gratuity is an unfunded plan for the Company.

Employee benefit obligations

Balance recognised in the balance sheet is as under:

Particulars	As at March 31, 2025	As at March 31, 2024
Gratuity	1,268.13	889.28
Compensated absences	1,048.84	702.37

Expense recognised in Statement of profit and loss is as under:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Gratuity	451.07	347.73
Compensated absences	644.79	416.84

Expense recognised through OCI is as under:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Gratuity	22.59	6.08

Disclosure for gratuity

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Components of net gratuity cost charged to Statement of profit and loss		
Current service cost	390.21	306.45
Interest expense	60.86	41.28
Transfer out	-	-
Actuarial loss/(gain) recognised during the year	22.59	6.08
Total	**473.66**	**353.81**

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Movement in the present value of defined benefit obligation recognised in the balance sheet	For the year ended March 31, 2025	For the year ended March 31, 2024
Present value of defined benefit obligation at the beginning of the year	889.28	606.35
Current service cost	390.21	306.45
Interest cost	60.86	41.28
Past service cost	-	-
Benefits paid	(94.81)	(70.88)
Actuarial (gain)/ loss	22.59	6.08
Defined benefit obligation at the end of the year	**1,268.13**	**889.28**

Reconciliation of present value of defined benefit obligation and the fair value of assets:

Description	For the year ended March 31, 2025	For the year ended March 31, 2024
Present value of funded obligation as at the end of the year	1,268.13	889.28
(Unfunded)/funded net liability recognized in balance sheet	**1,268.13**	**889.28**

Actuarial (gain)/loss recognised in other comprehensive income:

Description	For the year ended March 31, 2025	For the year ended March 31, 2024
Actuarial (gain)/ loss from change in financial assumption in DBO	45.91	16.42
Actuarial (gain)/ loss from experience adjustment on DBO	(23.32)	(10.34)
Total actuarial (gain)/loss	**22.59**	**6.08**

Principal assumptions used in determining gratuity liability are shown below:	As at March 31, 2025	As at March 31, 2024
Expected return on plan assets	-	-
Rate of discounting	6.79%	7.23%
Expected rate of salary increase	7.00%	7.00%
Rate of employee turnover	23.00%	23.00%
Retirement age (years)	60	60

Sensitivity analysis for gratuity liability	As at March 31, 2025	As at March 31, 2024
Impact on defined benefit obligation		
Discount rate +100 basis points	(89.72)	(61.60)
Discount rate -100 basis points	104.35	71.46
Salary growth+ 100 basis points	88.18	60.47
Salary growth- 100 basis points	(78.99)	(54.94)
Attrition rate + 100 basis points	(19.44)	(11.55)
Attrition rate - 100 basis points	20.34	11.86

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Expected future pay-outs (discounted)	As at March 31, 2025	As at March 31, 2024
Year I	111.37	89.74
Year II	84.57	67.81
Year III	64.05	51.20
Year IV	49.95	38.76
Year V	38.40	30.32
Year VI-X	129.79	102.66
Above X years	790.00	508.79

Plan characteristics and associated risks

1. Salary inflation risk
Higher than expected increases in salary will increase the defined benefit obligation

2. Demographic risks:
This is the risk of volatility of results due to unexpected nature of decrements that include mortality attrition, disability and retirement. The effects of this decrement on the DBO depend upon the combination salary increase, discount rate, and vesting criteria and therefore not very straight forward. It is important not to overstate withdrawal rate because the cost of retirement benefit of an employee serving a shorter tenor will be less compared to long service employees.

3. Actuarial risk
It is the risk that benefits will cost more than expected. This can be due to one of the following reasons:
a) Adverse salary growth
b) Variability in mortality rates
c) Variability in withdrawal rates

4. Market risk
Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in defined benefit obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

5. Legislative/regulatory risk
Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation / regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the defined benefit obligation. And the same will have to be recognized immediately in the year when any such amendment is effective.

6. Liquidity risk
The Company is making provisions for the entire gratuity liability as per actuarial valuation and follows a 'pay as you go' system to meet the liabilities as and when they fall due. Therefore, there is a liquidity risk involved that they may run out of cash.

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39 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.

Particulars	As at March 31, 2025			As at March 31, 2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	27,226.22	-	27,226.22	32,403.40	-	32,403.40
Bank balance other than cash and cash equivalents	907.49	4,565.49	5,472.98	2,382.70	1,959.89	4,342.59
Other receivables	326.92	-	326.92	317.12	-	317.12
Loans	4,05,612.09	2,21,485.88	6,27,097.97	3,33,509.18	1,79,435.99	5,12,945.17
Investments	13,001.63	-	13,001.63	11,559.93	-	11,559.93
Other financial assets	6,283.39	3,525.79	9,809.18	7,378.26	3,763.86	11,142.12
Non-financial assets						
Current tax assets (net)	117.08	-	117.08	114.35	-	114.35
Deferred tax assets (net)	-	5,458.46	5,458.46	-	1,253.10	1,253.10
Property, plant and equipment	-	2,122.36	2,122.36	-	2,007.20	2,007.20
Intangible Assets under Development	-	97.04	97.04	-	-	
Right of use asset	171.66	291.83	463.49	185.97	449.18	635.15
Other intangible assets	-	288.05	288.05	-	358.13	358.13
Other non-financial assets	734.58	3,946.26	4,680.84	791.69	3,124.20	3,915.89
Total assets	**4,54,381.06**	**2,41,781.16**	**6,96,162.22**	**3,88,642.60**	**1,92,351.55**	**5,80,994.15**
Liabilities						
Financial liabilities						
Trade payables	1,384.46	-	1,384.46	888.43	-	888.43
Other payables	-	-	-	-	-	-
Borrowings*	2,99,209.79	2,25,982.63	5,25,192.42	2,48,500.61	1,98,138.57	4,46,639.18
Other financial liabilities	12,804.10	-	12,804.10	20,698.18	-	20,698.18
Lease liabilities	166.89	355.34	522.23	139.75	522.23	661.98
Non-financial liabilities						
Current tax liabilities (net)	406.97	-	406.97	196.12	-	196.12
Provisions	327.09	2,001.92	2,329.01	237.48	1,366.21	1,603.69
Other non-financial liabilities	758.42	-	758.42	682.05	-	682.05
Total liabilities	**3,15,057.72**	**2,28,339.89**	**5,43,397.61**	**2,71,342.62**	**2,00,027.01**	**4,71,369.63**

*All borrowings are disclosed based on the contractual maturities.

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40 Contingent liabilities, commitments

(A) Contingent liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
In respect of Income tax demands where the Company has filed an appeal with relevant authority	199.68	202.70
Total	**199.68**	**202.70**

Future cash outflows in respect of (a) above are determinable only on receipt of judgements /decisions pending with various forums/authorities. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.

(B) Commitments not provided for

Particulars	As at March 31, 2025	As at March 31, 2024
Estimated amount of contracts remaining to be executed on capital account, net of advances	6.49	37.57

41 Lease disclosures

Company as a lessee : The company's leased assets mainly comprise office buildings taken on lease. Certain agreements provide for cancellation by either party or certain agreements contains clause for escalation and renewal of agreements. The term of property leases ranges from 1-10 years and The Company has applied short term lease exemption for leasing arrangements where the period of lease is less than 12 months.

Carrying value of lease liability at the end of the reporting period by class.

Particulars	As at March 31, 2025	As at March 31, 2024
Opening lease liabilities	661.98	554.67
Addition to lease liabilities during the year	-	726.14
Interest expense on lease liabilities	66.43	71.71
Termination of lease	-	(498.75)
Cash outflow for leases	(206.18)	(191.79)
Closing lease liabilities	**522.23**	**661.98**

Amounts recognised in Statement of profit or loss

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation charge on right of use assets	171.66	162.88
Interest on lease liabilities	66.43	71.71
Total	**238.09**	**234.59**

Amounts recognised in the Statement of cash flows

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest paid on lease liabilities	66.43	71.71
Payment towards lease liabilities	(206.18)	(191.79)
Total	**(139.75)**	**(120.08)**

Maturity analysis of lease liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Within one year	167.00	139.75
After one year but not more than five years	355.23	522.23
More than five years	-	-
Total	**522.23**	**661.98**

Particulars	As at March 31, 2025	As at March 31, 2024
Nature of right of use asset	Office premises	Office premises
No. of right of use assets leased	2	2
Range of remaining term	29 months to 40 months	41 months to 51 months
Average remaining lease term	34 Months	46 Months
Future cash flows to which lessee is potentially exposed to		
Variable lease payments	-	-
Extension and termination options	-	-
Residual value guarantees	-	-
Leases not yet commenced to which the lessee is committed	-	-
Total	-	-
Restrictions or covenants imposed by leases	None	None
Sale and leaseback transactions	None	None

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42 Related party disclosures

A. List of related parties and disclosures

1. Enterprises exercising control

Holding Company : Svatantra Microfin Private Limited (w.e.f 23rd November 2023)
: Navi Finserv Limited (till 23rd November 2023)

Ultimate Holding Company : Navi Technologies Limited (till 23rd November 2023)

2. Enterprises over which key management personnel and relatives of such personnel exercise significant influence with whom transactions have been undertaken:

Navi AMC Limited (till 23rd November 2023)
Aditya Birla Finance Limited (w.e.f 23rd November 2023)
The Ananya Birla Foundation (w.e.f 23rd November 2023)

3. Key managerial personnel and their relatives:

Name of key managerial personnel	Designation
Ms. Ananyashree Birla	Non-Executive Director and Chairperson of the Board (appointed w.e.f. November 23, 2023)
Mr. Vineet Bijendra Chattree	Whole Time Director (appointed w.e.f. November 23, 2023)
Mr. Anand Rao	Managing Director
Ms. Meena Jagtiani	Independent Director (appointed on December 8, 2023)
Mr. Natarajan Girija Shankar	Independent Director (appointed on December 8, 2023)
Mr. Rakesh Yadav	Chief Financial Officer (appointed w.e.f. March 24, 2025)
Mr. Abhik Sarkar	Chief Financial Officer (resigned w.e.f. February 28, 2025)
Mr. Neeraj Jain	Company Secretary (appointed w.e.f. May 16, 2024)
Mr. Anup Kumar Gupta	Company Secretary (resigned on May 13, 2024)
Mr. Sachin Bansal	Managing Director and CEO (resigned on November 23, 2023)
Mr. Ankit Agarwal	Director and Deputy CEO (resigned on November 23, 2023)
Mr. Samit S Shetty	Nominee Director (resigned on November 23, 2023)
Mr. R.Sridharan	Independent Director (resigned on November 23, 2023)
Ms. Usha A Narayanan	Independent Director (resigned on November 23, 2023)

B. Details of transactions with related parties carried out in the ordinary course of business:

Name of related party	Nature of transaction	As at March 31, 2025	As at March 31, 2024
Key Management Personnel	Remuneration and incentives**	379.24	330.09
Key Management Personnel	Sitting fees	18.04	50.80
Navi Technologies Limited (Formerly known as Navi Technologies Private Limited)	Face value of equity shares allotted	-	312.50
	Securities premium received	-	1,562.50
	Reimbursment of expenditure incurred from related party	-	3.06
	Capital contribution from NTL - Vested units	-	155.26
	Capital contribution from NTL - Unvested units	-	144.02
	ESOP Expenditure*	-	126.47
Navi AMC Limited	Purchase of Mutual Funds	-	(3,800.00)
	Redemption of Mutual Funds	-	3,815.49
	Gain/(Loss) on Redemption of Mutual Funds	-	15.49
Navi Finserv Limited (formerly known as Navi Finserv Private Limited)	Interest & Gain/(Loss) on Bonds	-	21.97
	Redemption of Bonds^	-	1,301.05

* ESOP expenditure to NTL also includes the ESOPs awarded to the KMPs

^ These bonds are purchased and sold through secondary market.

**The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the company as a whole.

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Details of transactions with related parties carried out in the ordinary course of business (cont'd):

Name of related party	Nature of transaction	As at March 31, 2025	As at March 31, 2024
Navi Finserv Limited (formerly known as Navi Finserv Private Limited)	Face value of equity shares allotted	-	937.50
	Securities premium received	-	4,687.50
	Payment towards purchase of portfolio	-	(159.60)
	Receipt for assignment transaction	-	14.38
Aditya Birla Finance Limited	Repayment of Borrowings	-	(1,875.00)
	Interest on borrowings	-	56.02
Svatantra Microfin Private Limited	Face value of equity shares allotted	2,207.33	-
	Securities premium received	15,484.44	-
	Intercompany Cross charge income for procurement	21.65	-
	Resource sharing income	48.10	
	Resource sharing cost	27.44	-
The Ananya Birla Foundation	CSR Activity	98.28	-

C. Outstanding balances with related parties in ordinary course of business:

Name of related party	Nature of balance	As at March 31, 2025	As at March 31, 2024
Svatantra Microfin Private Limited	Outstanding receivable	50.13	-
	Outstanding payable	(27.44)	-

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42.1 Related party disclosures

Related Party	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures		Directors		Relatives of Directors		Key Management Personnel		Relatives of Other Key Management Personnel		Others		Total	
Particulars	Mar-25	Mar-24	Mar-25	Mar-24	Mar-25	Mar-24	Mar-25	Mar-24	Mar-25	Mar-24	Mar-25	Mar-24	Mar-25	Mar-24	Mar-25	Mar-24	Mar-25	Mar-24
Borrowings																		
Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum during the year	-	1,875.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,875.00
Deposits																		
Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of deposits								-	-	-	-	-						
Outstanding	-	-	-	-	-	-	-						-	-	-	-	-	-
Maximum during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances								-	-	-	-	-						
Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments																		
Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum during the year	-	1,279.08	-	-	-	-	-	-	-	-	-	-	-	-	-	1,000.00	-	2,279.08
Other Outstanding	22.69	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	22.69	-

Purchase of fixed/ other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid	-	56.02	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	56.02
Interest received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intercompany Cross charge income for procurement	21.65	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	21.65	-
- Remuneration and incentives	-	-	-	-	-	-	-	-	-	-	379.24	330.09	-	-	-	-	379.24	330.09
- Income cross charged	48.10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	48.10	-
- Expenditure cross charged	27.44	126.47	-	-	-	-	-	-	-	-	-	-	-	-	-	-	27.44	126.47
- Reimbursement of expenditure	-	3.06	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3.06
- Face value of equity shares allotted	2,207.33	1,250.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,207.33	1,250.00
- Securities premium received	15,484.44	6,250.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15,484.44	6,250.00
- Receipt for assignment transaction	-	14.38	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14.38
- Payment towards purchase of portfolio	-	(159.60)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(159.60)
- Receipt towards Portfolio Collection	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Capital contribution on ESOP	-	299.28	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	299.28
- Others	-	21.97	-	-	-	-	18.04	50.80	-	-	-	-	-	-	98.28	15.49	116.32	88.26

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43 Capital

The Company maintains an actively managed capital base to cover risks inherent in the business which includes issued equity capital, share premium and all other equity reserves attributable to equity holders of the Company.

As an NBFC, the RBI requires us to maintain a minimum capital to risk weighted assets ratio ("CRAR") consisting of Tier I and Tier II capital of 15% of our aggregate risk weighted assets. Further, the total of our Tier II capital cannot exceed 100% of our Tier I capital at any point of time. The capital management process of the Company ensures to maintain a healthy CRAR at all the times.

Capital management

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

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years.

Regulatory capital	As at March 31, 2025	As at March 31, 2024
Tier 1 capital	1,35,705.11	94,893.98
Tier 2 capital	18,196.11	22,595.81
Total capital funds	**1,53,901.22**	**1,17,489.79**
Risk weighted assets	**6,53,505.19**	**5,27,664.85**
Common Equity Tier 1 capital ratio	20.77%	17.98%
Common Equity Tier 2 capital ratio	2.78%	4.28%
Total capital ratio	**23.55%**	**22.27%**

Regulatory capital consists of Tier 1 capital, which comprises share capital, share premium, retained earnings including the respective year's profit less accrued dividends. Certain adjustments are made to Ind AS–based results and reserves, as prescribed by the Reserve Bank of India. The other component of regulatory capital is Tier 2 Capital, which includes subordinated debt.

The Company is meeting the capital adequacy requirements of the Reserve Bank of India (RBI) of India.





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Notes forming part of the financial statements as at March 31, 2025
(All amounts in ₹ Lakhs unless otherwise stated)

44 Fair value measurement

44.1 Financial assets and liabilities

The carrying amounts and fair values of financial instruments by category are as follows:

Particulars	Note	As at March 31, 2025	As at March 31, 2024
Financial assets measured at fair value through P&L			
Investments	8	13,001.63	11,559.93
Financial assets measured at fair value through OCI			
Loans	7	-	55,096.25
Financial assets measured at amortised cost			
Cash and cash equivalents	4	27,226.22	32,403.40
Bank balance other than cash and cash equivalents	5	5,472.98	4,342.59
Trade receivables	6	326.92	317.12
Loans	7	6,27,097.97	4,57,848.92
Other financial assets	9	9,809.18	11,142.12
Total		**6,82,934.90**	**5,72,710.33**

Particulars	Note	As at March 31, 2025	As at March 31, 2024
Financial liabilities measured at amortised cost			
Trade payables	15	1,384.46	888.43
Debt securities	16	25,798.72	31,826.58
Borrowings (other than debt securities)	17	4,80,220.51	3,94,335.33
Subordinated liabilities	18	19,173.19	20,477.27
Lease liabilities	41	522.23	661.98
Other financial liabilities	19	12,804.10	20,698.18
Total		**5,39,903.21**	**4,68,887.77**

44.2 Fair value hierarchy of assets and liabilities

Financial assets and financial liabilities are measured at fair value in the financial statements and are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

The categories used are as follows:

Level 1: Quoted prices (unadjusted) for identical instruments in an active market;
Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and
Level 3: Inputs which are not based on observable market data (unobservable inputs).

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44 Fair value measurement (cont'd)

44.3 Financial assets and liabilities measured at fair value

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

As at March 31, 2025	Level-1	Level-2	Level-3	Total
Financial assets measured at FVTPL				
Investments in Reverse Repo	-	-	8,001.72	**8,001.72**
Investments in Commercial Deposits	-	-	4,999.91	**4,999.91**

As at March 31, 2024	Level-1	Level-2	Level-3	Total
Financial assets measured at FVTPL				
Investments in Govt. Securities	11,559.93	-	-	**11,559.93**
Investments in Debt securities	-	-	-	-
Financial assets measured at FVTOCI				
Loans	-	-	55,096.25	**55,096.25**

Valuation technique used to determine fair value

Fair values of Loans designated under FVTOCI have been measured under level 3 at fair value based on a discounted cash flow model of the contractual cash flows of solely payment of principal and interest.

44.4 Fair value of financial instruments measured at amortised cost

Set out below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments measured at amortised cost.

Particulars	As at March 31, 2025		As at March 31, 2024	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets:				
Cash and cash equivalents	27,226.22	27,226.22	32,403.40	32,403.40
Bank balance other than cash and cash equivalents	5,472.98	5,472.98	4,342.59	4,342.59
Other receivables	326.92	326.92	317.12	317.12
Loans (measured at amortised cost)	6,27,097.97	6,27,097.97	4,57,848.92	4,57,848.92
Other financial assets	9,809.18	9,809.18	11,142.12	11,142.12
Total financial assets	**6,69,933.27**	**6,69,933.27**	**5,06,054.15**	**5,06,054.15**
Financial liabilities:				
Trade payables	1,384.46	1,384.46	888.43	888.43
Debt securities	25,798.72	25,798.72	31,826.58	31,826.58
Borrowings (other than debt securities)	4,80,220.51	4,80,220.51	3,94,335.33	3,94,335.33
Subordinated liabilities	19,173.19	19,173.19	20,477.27	20,477.27
Lease liabilities	522.23	522.23	661.98	661.98
Other financial liabilities	12,804.10	12,804.10	20,698.18	20,698.18
Total financial liabilities	**5,39,903.21**	**5,39,903.21**	**4,68,887.77**	**4,68,887.77**

Valuation technique used for financial instruments measured at amortised cost

Below are the methodologies and assumptions used to determine fair values for the above financial instruments:

Financial assets at amortised cost

The fair value of loans given to customers are estimated using a discounted cash flow model based on contractual cash flows using actual or estimated yields.

Financial liability at amortised cost

The fair value of borrowings, debt securities and subordinate liabilities are estimated using a discounted cash flow model based on contractual cash flows using actual or estimated yields.

Short term financial assets and liabilities

The fair value of cash and cash equivalents, bank balances, trade receivables, other financial assets, trade payables, other payables and other financial liabilities approximate their carrying amount largely due to the short-term nature of these instruments. The Company's loans have been contracted at market rates of interest. Accordingly, the carrying value of these approximates fair value.

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45 Risk management

Risk is fundamental to the company's operations, and effective risk management is vital for its resilience. As a financial services provider, the company encounters various inherent risks in its lending operations and operating environment, notably including credit, liquidity, market, currency, and operational risks. The Board of Directors is responsible for the overall risk management approach and for approving the risk management strategies and principles. The company has implemented an Enterprise Risk Management (ERM) Framework for identifying, measuring, monitoring, and controlling all risks exposed by the firm. This note explains the sources of risk to which the entity is exposed and how the entity manages the risk, along with the related impact on the financial statements.

Risk	Exposure arising from	Measurement	Risk management
Credit risk	The Company is exposed to credit risk due to its risk-taking activity & faces inherent credit risks including non-payment, collection challenges, and concentration risks. Amidst its strategic risk-taking, The Company prioritizes robust risk management to navigate the complexities of the lending landscape, ensuring sustainable growth and financial resilience.	PAR analysis, Regular monitoring of pre-closures,non starters, Quick mortality accounts, First time OD (FTOD) Analysis.	Measures including field credit assessment, credit bureau checks, Central QC & Underwriting team for Joint Liability Group Arrangements, Key Risk Indicators, and PAR Analysis are employed. The Risk function continuously monitors various thresholds and appetites as prescribed in the Enterprise Risk Management (ERM) Policy, reporting to the Management for necessary action. Appetite limits, such as concentration limits and PAR limits, are included in this monitoring & implementing controls in High Risk & focus branches.The organisation has devolped the Credit Early Warning signals and it will recongnise potential risky branches.
Liquidity risk	The Company is exposed to Liquidity & Liquidity mismatch risk from funds raising activities and disbursement commitment.	Cash flow forecasts, Regular monitoring of liquidity ratios like LCR and dynamic coverage ratios on daily basis.	Company maintains suffient committed borrowing, utilizes other credit facilities, and sells loan assets when necessary. The middle office function monitors the daily liquidity position. Additionally, the Risk function conducts stress testing on the LCR and SLS regularly, presenting findings to the ALCO for necessary action.
Market risk - interest rate	Borrowings, debt securities and subordinated liabilities carrying variable interest rates	Sensitivity analysis	The Risk function conducts various Duration gap analysis(DGA) analyses to assess the impact of changing interest rates. The focus of the DGA is to measure the level of an institution's exposure to interest rate risk in terms of the sensitivity of the Economical Value of its Equity (EVE) to interest rate movements and presenting the results to the ALCO Committee for taking necessary action. Also review of cost of funds and pricing of disbursement is done on quarterly basis
Market risk - security price	Investments		Diversification of portfolio with focus on strategic investments within the limit as prescribe in the Investment policy.
Currency Risk	Forex risk results from a mismatch between assets and liabilities in a currency and their associated cashflows in respect to size and maturity. Chaitanya may borrow in foreign currency from institutions abroad and such borrowing exposes the Company to risk as loan assets are in Indian Rupees.	Such risk can be mitigated by appropriate hedging strategy or may remain open if within acceptable limit.	The Company shall not maintain any open foreign currency position; all foreign currency borrowing must be adequately hedged. The Company is not authorized to maintain a proprietary trading book in short-term foreign currency instruments. Any foreign currency transaction must display a clear linkage to the customer-related business.

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Risk	Exposure arising from	Measurement	Risk management
Systemic Risk	External events impacting the system as a whole (industry, or economy, or both), e.g. Demonetisation, Novel Coronavirus 2019 (COVID-19)	Monitoring of external events, ageing analysis of industry data on loans, recovery trends witnessed by the sector	The Company prioritize the preservation of adequate liquidity to meet near-term cash outflows and expense obligations, ensure capital and borrowing capacity adequacy, and diversify our portfolio across geographies and customer profiles. Additionally, the Company buffer provisions to meet unexpected losses. The organization has implemented a robust Business Continuity Plan to address such scenarios effectively.

The Company has implemented comprehensive Enterprise Risk Management policy and procedures to assess, monitor and manage risk throughout the organisation. The risk management process is continuously reviewed, improved and adapted in tandem with internal metamorphosis and changing external environment. The process of continuous evaluation of risk also includes taking stock of the risk landscape on an event-driven basis.

The Company has an elaborate process for risk management. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The Company's treasury is responsible for managing its assets and liabilities, liquidity position, and the overall financial structure. It is also primarily responsible for the funding and interest rate risks of the Company.

45.1 Credit risk

Credit risk is the risk that a customer or counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company's main income generating activity is lending to retail customers and therefore credit risk is principal risk associated with the business. For a micro finance institution this assumes more significance since the lending that is carried out is primarily unsecured.

The credit risk management policy of the Company seeks to have following controls and key metrics that allows risks to be identified, assessed, monitored and reported in a timely and efficient manner in compliance with regulatory requirements.

- Standardize the process of identifying new risks and designing appropriate controls for these risks
- Minimize losses due to defaults or untimely payments by borrowers
- Maintain an appropriate credit administration and loan review system
- Establish metrics for portfolio monitoring
- Monitoring of Risk Appetite thresholds
- Design appropriate credit risk mitigation techniques

45.1.1 Risk identification

Credit risk may originate in one or multiple of following ways mentioned below:

- Adverse selection of members for group formation e.g. (bogus members, defaulters, negative profiles, etc.)
- Adverse selection of groups for undertaking lending activity (negative villages, migrant occupations, negative communities, , etc.)
- Gap in credit assessment of borrower's credit worthiness (Failure to collect KYC documents, verify residential address, assess income source, etc.)
- Undue Influence of Animator/Representative on group members (group leaders / political influence / middlemen influencing decisions of customers)
- Over-borrowing by customers
- Upper cap on loan ticket size
- Improper use of loan amount than the designated activity
- Over-concentration in any geography/branch/zone etc.
- Group culture and meeting discipline (e.g. timely arrival to meetings, absence of members from meetings, attendance, presence of non-members, etc.)

45.1.2 Risk assessment and measurement

The Company has a robust risk assessment framework to address each of the identified risks. The following is the framework implemented in order to ensure completeness and robustness of the risk assessment.

- Selection of client base for group formation - Adequate due diligence is carried out for selection of women borrowers who are then brought together for JLG formation. (e.g. members with homogeneous income, only one member from a family, upper cap on annual household income, etc.)
- Adequate training and knowledge of JLG operations
- Credit assessment -credit bureau check
- Follow up and regular monitoring with the members
- Portfolio monitoring through a centralized Risk & Analytics team

The Company assesses and manages credit risk based on internal credit grading system. Internal credit grading is performed for each class of financial instruments with different characteristics. The Company assigns the following credit grading to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

(i) Low credit risk
(ii) Moderate credit risk
(iii) High credit risk

Nature	Assets covered	Basis of expected credit loss
Low credit risk	Loans and other financial assets	12 month expected credit loss
Moderate credit risk	Loans	Life time expected credit loss
High credit risk	Loans	Life time expected credit loss

45.1.3 Risk monitoring

Monitoring and follow up is an essential element in the overall risk management framework and is taken up very seriously at all levels within the organization. Monitoring and controlling risks is primarily performed based on limits established by the Company.

Borrower risk categorization is an effective tool to flag potential problems in the loan accounts and identify if any corrective action plan are to be taken. The Company regularly monitors borrower repayments and group discipline, and borrowers are accordingly categorized in low risk (eligible for next loan cycle) and high risk (not eligible for next loan cycle). However, due to retail nature of clients, poor financial literacy and cash-oriented culture, and lack of adequate credit history prevents the Company from obtaining credit bureau scores at regular intervals.

Loans are tracked at a homogeneous pool basis by the Risk Team. Any deterioration in the performance of the pool are immediately pointed out to the Senior Management and detailed analysis are carried out to identify the trends in performance.

The risk monitoring metrics have been defined to track performance at each stage of the loan life cycle:

- Credit origination - KYC pendency, if any; deviation index from the defined policies and procedures
- Credit sanction - Disbursement to high risk rated groups/borrowers; Early delinquency due to fraud
- Credit monitoring - Monitoring the performance of the overdue accounts on a continuous basis, any deterioration in immediately reported out to the Senior Management and detailed analysis are carried out to identify the trends in performance and actionables.
- Portfolio at risk - The metrics provides an indication of potential losses that may arise from overdue accounts. (loans staging more than 90 days past due);
- Static pool analysis - Provides an indication about the portfolio performance vis-a-vis the vintage of the loans and helps compare performance of loans generated in different time periods
- Collection and recovery - collection efficiency, roll forward rates and roll backward rates.
- Identified the high risk branches and implementing the action plan for identified risky branches.
- Identified the focus branches on a monthly basis and recommended the action plan to mitigate the potential future risk.

45.1.4 Risk mitigation

Risk mitigation or risk reduction is defined as the process of reducing risk exposures and/or minimizing the likelihood of incident occurrence.

The following risk mitigation measures have been suggested at each stage of loan life cycle:

- Loan origination - site screening, independent visit by manager, adequate training to officers.
- Loan underwriting - Risk grading, independent assessment, etc.
- Loan pre and post disbursement - disbursement at the branch premises and in the bank account only, tracking to avoid misuse of funds,
- Loan monitoring - customer relation executive to attend group meeting, reminder of payment of EMIs on time, etc.
- Loan collection and recovery - monitor repayments, confirmation of balances etc.
-Appropriate policy-driven loan origination and collection process.





It is the Company's policy to ensure that a robust risk awareness is embedded in its organisational risk culture. Employees are expected to take ownership and be accountable for the risks the Company is exposed to that they decide to take on. Continuous training and development emphasizes that employees are made aware of the Company's risk appetite and they are supported in their roles and responsibilities to monitor and keep their exposure to risk within the Company's risk appetite limits. Compliance breaches and internal audit findings are important elements of employees' annual gradings and remuneration reviews.

45.1.5 Impairment assessment

The Company is primarily engaged in the business of providing loans and access to credit to the Joint Liability Group (JLG) members. The tenure of which is ranging from 12 months to 24 months.

The Company's impairment assessment and measurement approach is set out in this note. It should be read in conjunction with the summary of material accounting policies Note 3.1.v. (Overview of the Expected Credit Loss)

Definition of default and cure

The Company considers a financial instrument as defaulted and therefore in Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes NPA as per RBI IRAC norms.

As a part of a qualitative assessment of whether a customer is in default, the Company also considers a variety of instances that may indicate unlikeliness to pay. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate.

It is the Company's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage 3 when the due amount has been repaid. The decision whether to classify an asset as Stage 2 or Stage 1 once cured depends on the updated credit grade, at the time of the cure, and whether this indicates there has been a significant increase in credit risk compared to initial recognition.

The Company's internal credit grades and staging criteria for customer are as follows:

Grading	Description*	Stages
Performing		
Standard grade - on time	No over due	Stage I
Standard grade - past due	DPD 1 to 30	Stage I
	DPD 31 to 60	Stage II
	DPD 61 to 90	Stage II
Non-performing		
Sub-standard grade	DPD > 90	Stage III

* Apart from the above, NPA loans are classified as Stage III irrespective of DPD as per Income Recognition & Asset Classification (IRAC) norms of RBI.

Frequency of recognition

Riskiness of a financial asset is recognized in the following frequency: -

- At the time of initial recognition all financial assets are recognized as low credit risk.
- Assets are evaluated on a monthly frequency till the time it is fully repaid and closed; they are evaluated basis their days past due (DPD) status at every month-end and risk classification is made accordingly.
- In case of microfinance customers, if the customer or her spouse expires, the balance repayment has to come from the Life insurer.
- An asset may be re-recognized if there is adverse field information regarding client default.

Forward looking approach

ECL is based on history of financial asset and also includes forward-looking statement. Ind-AS does not mandate to forecast about the future conditions over the entire expected life of a financial asset, and ensures to extrapolate projection from available, detailed information. These includes: -

- Internal historical credit loss experience
- Industry trend of credit loss of homogeneous assets
- Historical credit loss experience of other similar assets to homogeneous set of customers
- Changes in underwriting capacity, collection efficiency, and management strength
- Macroeconomic factors such as interest rates, industry policies, GDP growth rate, inflation, etc.
- Regulatory factors such as systemic risk events, policy changes, and statutory guidelines
- Systemic events such as demonetization, Andhra Pradesh crisis, etc. and special situations such as floods, cyclone, earthquake, etc.

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Measurement of ECL

Expected Credit Loss or ECL is measured in the following manner.

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

ECL = PD*LGD*EAD

Each item is defined as follows: -

ECL - Expected Credit Loss

Present value of difference between contractual cash flows and actual cash flows expected to be received over a given time horizon

PD - Probability of Default

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

LGD - Loss Given Default

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

EAD- Exposure at Default

Cash flows that are at risk of default over a given time horizon. The Exposure at Default is an estimate of the exposure at a future default date.

Credit risk exposure

i) Expected credit losses for financial assets other than loans (refer note 7 for disclosure on credit risk exposure for loans)

As at March 31, 2025	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	27,226.22	-	27,226.22
Bank balance other than cash and cash equivalents	5,472.98	-	5,472.98
Trade receivables	326.92	-	326.92
Other financial assets	10,157.92	(348.74)	9,809.18

As at March 31, 2024	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	32,403.40	-	32,403.40
Bank balance other than cash and cash equivalents	4,342.59	-	4,342.59
Trade receivables	317.12	-	317.12
Other financial assets	11,312.70	(170.58)	11,142.12

45 Risk management (cont'd)

45.2 Liquidity risk and funding management

In assessing the company's liquidity position, consideration shall be given to: (a) present and anticipated asset quality (b) present and future earnings capacity (c) historical funding requirements (d) current liquidity position (e) anticipated future funding needs, and (f) sources of funds. The Company maintains a portfolio of marketable assets that are assumed to be easily liquidated and undrawn cash credit limits which can be used in the event of an unforeseen interruption in cash flow. The Company also enters into securitisation deals (direct assignment as well as pass through certificates) of their loan portfolio, the funding from which can be accessed to meet liquidity needs. In accordance with the Company's policy, the liquidity position is assessed under a variety of scenarios, giving due consideration to stress factors relating to both the market in general and specifically to the Company. Net liquid assets consist of cash, short–term bank deposits and investments in mutual fund available for immediate sale, less issued debt securities and borrowings due to mature within the next month. Borrowings from banks and financial institutions, issue of debentures and bonds are considered as important sources of funds to finance lending to customers. They are monitored using the advances to borrowings ratio, which compares loans and advances to customers as a percentage of secured and unsecured borrowings.

45.2.1. Analysis of financial assets and liabilities by remaining contractual maturities

The tables below analyses the Company's financial assets and liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows:

Maturity pattern of assets and liabilities as on March 31, 2025:

Particulars	Less than 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
Financial assets					
Cash and cash equivalents	27,226.22	-	-	-	27,226.22
Bank balance other than cash and cash equivalents	907.49	3,537.84	1,027.65	-	5,472.98
Trade Receivables	326.92	-	-	-	326.92
Loans	4,05,612.09	2,19,663.64	1,817.51	4.73	6,27,097.97
Investments	13,001.63	-	-	-	13,001.63
Other financial assets	6,283.39	3,195.83	207.06	122.90	9,809.18
Total undiscounted financial assets	**4,53,357.74**	**2,26,397.31**	**3,052.22**	**127.63**	**6,82,934.90**
Financial liabilities					
Trade payables	1,384.46	-	-	-	1,384.46
Borrowings	2,99,209.79	2,06,809.44	19,173.19	-	5,25,192.42
Other financial liabilities	12,804.10	-	-	-	12,804.10
Lease liabilities	166.89	335.05	20.29	-	522.23
Total undiscounted financial liabilities	**3,13,565.24**	**2,07,144.49**	**19,193.48**	**-**	**5,39,903.21**
Net undiscounted financial assets/(liabilities)	**1,39,792.50**	**19,252.82**	**(16,141.26)**	**127.63**	**1,43,031.69**

Maturity pattern of assets and liabilities as on March 31, 2024:

Particulars	Less than 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
Financial assets					
Cash and cash equivalents	32,403.40	-	-	-	32,403.40
Bank balance other than cash and cash equivalents	2,382.70	1,959.89	-	-	4,342.59
Trade Receivables	317.12	-	-	-	317.12
Loans	3,33,509.18	1,79,029.61	391.50	14.88	5,12,945.17
Investments	11,559.93	-	-	-	11,559.93
Other financial assets	7,378.26	3,630.26	106.32	27.28	11,142.12
Total undiscounted financial assets	**3,87,550.59**	**1,84,619.76**	**497.82**	**42.16**	**5,72,710.33**
Financial liabilities					
Trade payables	888.43	-	-	-	888.43
Other payables	-	-	-	-	-
Borrowings	2,48,500.61	1,79,160.37	18,978.20	-	4,46,639.18
Other financial liabilities	20,698.18	-	-	-	20,698.18
Lease liabilities	139.75	364.62	157.61	-	661.98
Total undiscounted financial liabilities	**2,70,226.97**	**1,79,524.99**	**19,135.81**	**-**	**4,68,887.77**
Net undiscounted financial assets/(liabilities)	**1,17,323.62**	**5,094.77**	**(18,637.99)**	**42.16**	**1,03,822.56**

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45 Risk management (cont'd)

45.3 Market risk

Market risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates and other market changes. The Company is exposed to the following market risk :

Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Asset Liability Committee shall manage its rate sensitivity position to ensure the long-run earning power of the Company. In addressing this challenge, the ratios of rate-sensitive assets (RSA) to rate-sensitive liabilities (RSL) and gap (RSA minus RSL) to total liabilities is reviewed based on 30, 60, 90, 180, and 365-day, 1-2 year, and greater than 2 year definitions. More importantly, however, special emphasis is to be placed on the change in net interest income that will result from possible fluctuations in interest rates, changing account volumes, and time.

The Company is subject to interest rate risk, principally because lending to clients is at fixed interest rates, while our borrowings are at both fixed and variable interest rates for different periods. The Company assesses and manages the interest rate risk by managing the assets and liabilities. The Asset Liability Management Committee evaluates asset liability management and ensures that all significant mismatches, if any, are being managed appropriately.

Management of interest margin

The spread or interest margin, otherwise known as "Gap", is the difference between the return on assets and the expenses paid on liabilities. Assets are classified as Rate Sensitive Assets and fixed Rate Assets. Liabilities are classified as Rate Sensitive Liabilities and fixed Rate Liabilities. An asset or liability is identified as sensitive if cash flows from the asset or liability change in the same direction and general magnitude as the change in short-term rates. The cash flows of insensitive (or non-sensitive) assets or liabilities do not change within the relevant time period.

The sensitivity of the statement of profit and loss is the effect of the assumed changes in interest rates on the profit or loss for a year, based on the floating rate non–trading financial assets and financial liabilities held as at the Balance Sheet date.

The Company has Board approved Interest rate policy for managing interest rate risk and policy for determining the interest rate to be charged on the loans given.

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on the portion of borrowings. With all other variables held constant, the profit before taxes affected through the impact on floating rate borrowings is as follows:

Particulars	Effect on Statement of Profit and Loss for year ended March 31, 2025	Effect on Statement of Profit and Loss for year ended March 31, 2024
0.50% increase	2,343.88	1,894.80
0.50% decrease	(2,343.88)	(1,894.80)

Price risk

The Company's exposure to price risk arises from investments held and classified in the balance sheet at fair value through profit or loss. To manage the price risk arising from investments, the company diversifies its portfolio of assets.

The table below summarises the impact of increases/decreases of the price on the Company's equity and profit for the period :

Particulars	Effect on Statement of Profit and Loss for year ended March 31, 2025	Effect on Statement of Profit and Loss for year ended March 31, 2024
Net asset value - 1% increase	130.02	115.60
Net asset value - 1% decrease	(130.02)	(115.60)

Prepayment risk

Prepayment risk is the risk that the Company will incur a financial loss because its customers and counterparties repay or request repayment earlier or later than expected, such as fixed rate mortgages when interest rates fall.

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46 Segment reporting

The Company is primarily engaged in the business of financing which is considered to be the only reportable business segment as per Ind AS 108, Operating Segments. The Company operates primarily in India and there is no other geographical segment.

47 Details of CSR expenses

a. Corporate social responsibility (CSR) expenditure	As at March 31, 2025	As at March 31, 2024
(i) Gross amount required to be spent by the Company during the year	434.76	192.20
(ii) Amount approved by the Board to be spent during the year	434.76	193.00
(iii) Amount spent during the period/year (in cash)		
- construction/ acquisition of any asset	-	-
- on purpose other than above	321.19	217.95
(iv) Shortfall at the end of the year #	114.03	-
(v) Total of previous years shortfall	-	-
(vi) Reason for shortfall#	-	
(vii) Details of related party transactions	98.28	-
(viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately	-	-
- Health/Eradicating Hunger/Poverty and malnutrition/Safe Drinking water/Sanitation/Promoting Education/Training	321.19	217.95

Key CSR activities undertaken by the Company in FY2024-25 area) Education (Learning centres) b) Basic Amenities (RO purifiers) c) Disaster Management d) Environment (Afforestation) e) Health (check up camps).

#The unspent amount allocated for ongoing CSR projects has been earmarked through a provision and transferred to a separate bank account. These funds will be utilised for the designated projects in the upcoming financial year.

48 Credit rating

Type of Instrument	Credit rating agency	As at March 31, 2025	As at March 31, 2024
Non convertible debentures	India Ratings and Research	IND AA- / Stable	IND A/Rating Watch with Developing Implications
Non convertible debentures	India Ratings and Research	IND AA- / Stable	-
Principal protected market linked debentures	India Ratings and Research	IND AA- / Stable	IND PP-MLDAemr/Rating Watch with Developing Implications
Commercial Paper	India Ratings and Research	IND A1+	IND A1/Rating Watch with Developing Implications
Subordinated Debenture	India Ratings and Research	IND AA- / Stable	IND A/Rating Watch with Developing Implications
Bank Lines	India Ratings and Research	Withdrawn	IND A/Rating Watch with Developing Implications
Bank Lines	CRISIL Ratings	CRISIL AA-/ Stable	CRISIL AA-/Stable
Non convertible debentures	CRISIL Ratings	CRISIL AA-/ Stable	CRISIL AA-/Stable
Bank Lines	CARE Ratings Ltd	CARE AA-/ Stable	CARE AA-/Stable
Commercial Paper	CARE Ratings Ltd	CARE A1+	CARE A1+
Non convertible debentures	CARE Ratings Ltd	CARE AA-/ Stable	CARE A (CE) Stable

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Additional disclosures required by the Reserve Bank of India (RBI)
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49 Capital adequacy ratio

Particulars	As at March 31, 2025	As at March 31, 2024
i) CRAR (%)	**23.55%**	**22.27%**
ii) CRAR - Tier I Capital (%)	20.77%	17.98%
iii) CRAR - Tier II Capital (%)	2.78%	4.28%
iv) Amount of subordinated debt raised as Tier-II capital*	11,503.91	16,000.00
v) Amount raised by issue of Perpetual Debt Instruments	-	-

* Discounted value of ₹ 11,503.91 lakhs and ₹ 16,000 lakhs considered for Tier II capital against the book value ₹ 19,173.19 lakhs and ₹ 20,477.27 lakhs for March 31, 2025 and March 31, 2024 respectively.

50 Investments

Particulars		As at March 31, 2025	As at March 31, 2024
(1)	**Value of investments**		
(i)	Gross value of investments	13,001.63	11,559.93
	(a) In India	13,001.63	11,559.93
	(b) Outside India	-	-
(ii)	Impairment provisions on investments		
	(a) In India	-	-
	(b) Outside India	-	-
(iii)	Net value of investments	13,001.63	11,559.93
	(a) In India	13,001.63	11,559.93
	(b) Outside India	-	-
(2)	**Movement of impairment provisions on investments**		
(i)	Opening balance	-	-
(ii)	Add : Provisions made during the year	-	-
(iii)	Less : Write-off/write-back of excess provisions during the year	-	-
(iv)	Closing balance	-	-

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51 Disclosure as per Master Direction- Reserve Bank of India (Securitisation of Standard Assets Directions, 2021)

Details of financial assets sold to securitisation

Sl No.	Particulars	As at March 31, 2025	As at March 31, 2024
1	No. of SPEs holding assets for securitisation transactions originated by originator (only the SPVs relating to outstanding securitization exposures to be reported here)	2.00	-
2	Total amount of securitised assets as per books of the SPEs	12,977.78	-
3	Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet		
	a) Off-balance sheet exposures		
	· First Loss	-	-
	· Others	-	-
	b) On-balance sheet exposures		
	· First Loss	1,147.85	-
	· Others	1,805.40	-
4	Amount of exposures to 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	-	-
5	Sale consideration received for securitised assets and gain/loss on sale on account of securitisation	14,626.83	-
6	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.	-	-
7	Performance of facility provided. Please provide separately for each facility viz. credit enhancement, liquidity support, servicing agent, etc. Mention bracket as of total value of facility provided.	-	-
	a) Amount paid	-	-
	b) Repayment received	-	-
	c) Outstanding amount (Credit enhancement)	2,953.25	-
8	Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle loans, etc	-	-
9	Amount and number of additional/top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle loans, etc	NIL	NIL
10	Investor complaints (a) Directly/ Indirectly received and (b) Complaints outstanding	NIL	NIL

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51.1 Details of assignment transactions undertaken by the Company

The Company has assigned loans by way of direct assignment. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the extent of 90% of the assets transferred to the buyer, the assets have been de-recognised from the Company's Balance Sheet. The table below summarises the carrying amount of the derecognised financial assets measured at fair value and the gain/(loss) on derecognition during the year:

Details of transfer through Direct assignment during the year and quarter ended March 31, 2025:

S. No.	Particulars	For the year ended March 31, 2025	For the quarter ended March 31, 2025
1	Number of Loans	3,45,056	1,64,628
2	Aggregate amount	1,29,436.39	49,630.69
3	Sale consideration	1,16,492.75	44,667.62
4	Number of Transactions	12	4
5	Weighted average remaining Maturity(In months)	18	15
6	Weighted average holding period after Origination(In months)	6	9
7	Retention of beneficial economic interest	10%	10%
8	Coverage of tangible Security Coverage	-	-
9	Rating wise distribution of rated loans	-	-
10	Number of instances (transactions) where transferred as agreed to replace the transferred loans	-	-
11	Number of transferred loans replaced	-	-

51.2 Details of non-performing financial assets purchased/sold

Particulars		As at March 31, 2025	As at March 31, 2024
i)	No. of accounts	-	-
ii)	Total amount outstanding	-	-

Note: The Company has neither sold nor purchased non-performing financial assets during the year ended March 31, 2025 and March 31, 2024.

51.3 Details of financial assets sold to securitisation/reconstruction company for asset reconstruction

The Company has not sold any financial assets to Securitisation/Reconstruction Company for asset reconstruction during the year ended March 31, 2025 and March 31, 2024.

CHAITANYA INDIA FIN CREDIT PRIVATE LIMITED

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52 Asset liability management maturity pattern of certain items of assets and liabilities as at March 31, 2025

Particulars	Upto 7 days	Over 8 days upto 14 days	Over 15 days upto 1 month	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months & upto 6	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
Borrowings	2,510.16	7,699.67	12,846.38	29,112.21	23,998.33	76,526.21	1,46,516.83	2,06,809.44	19,173.19	-	5,25,192.42
Loans	8,542.89	8,419.50	23,551.52	36,581.98	33,516.18	1,05,892.37	1,89,107.65	2,19,663.64	1,817.51	4.73	6,27,097.97
Investments	13,001.63	-	-	-	-	-	-	-	-	-	13,001.63

Asset liability management maturity pattern of certain items of assets and liabilities as at March 31, 2024

Particulars	Upto 7 days	Over 08 days upto 14 days	Over 15 days upto 1 month	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
Borrowings	3,617.58	3,981.24	13,421.92	22,600.68	25,356.21	68,126.68	1,11,396.29	1,79,160.38	18,978.20	-	4,46,639.18
Loans	8,456.16	6,599.34	17,799.54	30,238.35	26,605.38	85,380.65	1,58,429.72	1,79,029.61	391.54	14.88	5,12,945.17
Investments	4,999.44	-	6,560.49	-	-	-	-	-	-	-	11,559.93

Note:

(i) Above mentioned portfolio (own) does not include undrawn facilities, since there are no sanctioned disbursement schedule.

(ii) All borrowings are disclosed based on the contractual maturities.

(iii) There are no breach of covenants during the year and there are no default in repayment of borrowings during the year.

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53 Exposure to real estate sector

Particulars	As at March 31, 2025	As at March 31, 2024
A. Direct exposure		
i) Residential mortgages	0.64	120.44
(Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented)		
ii) Commercial real estate:		
(Lending secured by mortgages on commercial real estates office buildings, retails space, multipurpose commercial premises, multi-family residential buildings, multi - tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits)	Nil	Nil
iii) Investments in Mortgage Backed Securities (MBS) and other securitized exposures -		
a) Residential	Nil	Nil
b) Commercial real estate	Nil	Nil
B. Indirect Exposure		
Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.	Nil	Nil
Total Exposure to Real Estate Sector	**0.64**	**120.44**

54 Exposure to capital market

The Company does not have any exposure to capital market as at March 31, 2025 and March 31, 2024.

55 Sectoral Exposure

Sector	As at March 31, 2025			As at March 31, 2024		
	Total On balancesheet exposure	Gross NPA	Percentage of Gross NPAs to total on balancesheet in that sector	Total On balancesheet exposure	Gross NPA	Percentage of Gross NPAs to total on balancesheet in that sector
1. Agriculture and Allied Activities	4,29,911.93	7,139.31	1.66%	3,50,964.58	1,176.31	0.34%
2. Industry	-	-	0.00%	-	-	0.00%
3. Services	17,914.19	414.65	2.31%	27,233.70	53.08	0.19%
4. Personal Loans	22,541.62	349.29	1.55%	21,146.02	29.35	0.14%
5. Others						
(i) Corporate Borrowers	-	-	0.00%	-	-	0.00%
(ii) Others	1,81,135.28	2,203.82	1.22%	1,25,824.97	289.55	0.23%

56 Intra-group exposures

The Company has no intra-group exposure for the year ended March 31, 2025 and March 31, 2024.

57 Unhedged foreign currency exposure

The Company has no unhedged foreign currency exposure for the year ended March 31, 2025 and March 31, 2024.

58 Compliance with number of layers of companies

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017

59 Compliance with approved Scheme(s) of Arrangements

During the Financial year 2024-2025, the company does not have any approved Scheme of Arrangements in terms of sections 230 to 237 of the Companies Act, 2013. (Refer Note 82)

60 Details of financing of parent company products

The Company has not financed parent company products for the year ended March 31, 2025 and March 31, 2024.

61 Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the Company

The Company does not have single or group borrower lending exceeding the limits during the year ended March 31, 2025 and March 31, 2024.

62 Unsecured advances

The Company has not extended any advances where the collateral is an intangible asset such as a charge over rights, licenses, authorisations, etc. The unsecured advances of ₹ 6,51,502.38 lakhs (March 31, 2024: ₹ 5,25,020.29 lakhs) disclosed in Note 7 are without any collateral or security.

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63 Registration obtained from other financial sector regulators:-

The Company is registered with the following other financial sector regulators:
(a) Ministry of Corporate Affairs (MCA)
(b) Ministry of Finance (Financial Intelligence Unit)
(c) Central Registry of Securitisation Asset Reconstruction and Security Interest of India (CERSAI)

64 Related party transactions

Please refer to Note No. 42 and 42.1 for related party transactions and related disclosures.

65 Provisions and contingencies

Asset Classification as per RBI Norms March 31, 2025	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	5=3-4	6	7 = 4-6
Performing assets						
Standard	Stage 1	6,31,987.66	11,714.40	6,20,273.26	2,527.95	9,186.45
	Stage 2	9,408.29	4,405.08	5,003.21	37.63	4,367.45
Subtotal		**6,41,395.95**	**16,119.48**	**6,25,276.47**	**2,565.58**	**13,553.90**
Non-Performing assets (NPA)						
Substandard	Stage 3	9,877.60	8,060.83	1,816.77	6,285.56	1,775.27
Doubtful - up to 1 year	Stage 3	173.51	169.56	3.95	173.51	(3.95)
1 to 3 years	Stage 3	45.90	45.25	0.65	45.90	(0.65)
More than 3 years	Stage 3	10.06	9.93	0.13	10.06	(0.13)
Subtotal for doubtful		**229.47**	**224.74**	**4.73**	**229.47**	**(4.73)**
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		**10,107.07**	**8,285.57**	**1,821.50**	**6,515.03**	**1,770.55**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	Stage 1	6,31,987.66	11,714.40	6,20,273.26	2,527.95	9,186.45
	Stage 2	9,408.29	4,405.08	5,003.21	37.63	4,367.45
	Stage 3	10,107.07	8,285.57	1,821.50	6,515.03	1,770.54
	Total	**6,51,503.02**	**24,405.05**	**6,27,097.97**	**9,080.61**	**15,324.44**

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Asset Classification as per RBI Norms March 31, 2024	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	5=3-4	6	7 = 4-6
Performing assets						
Standard	Stage 1	5,22,748.96	10,515.78	5,12,233.18	5,234.23	5,281.55
	Stage 2	872.03	392.50	479.53	8.71	383.79
Subtotal		**5,23,620.99**	**10,908.28**	**5,12,712.71**	**5,242.94**	**5,665.34**
Non-Performing assets (NPA)						
Substandard	Stage 3	1,343.53	1,114.61	228.92	13.49	1,101.12
Doubtful - up to 1 year	Stage 3	49.99	48.28	1.71	0.50	47.78
1 to 3 years	Stage 3	87.40	85.87	1.53	0.88	84.99
More than 3 years	Stage 3	67.36	67.06	0.30	0.67	66.39
Subtotal for doubtful		**204.75**	**201.21**	**3.54**	**2.05**	**199.16**
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		**1,548.28**	**1,315.82**	**232.46**	**15.54**	**1,300.29**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	Stage 1	5,22,748.96	10,515.78	5,12,233.18	5,234.23	5,281.55
	Stage 2	872.03	392.50	479.53	8.71	383.79
	Stage 3	1,548.28	1,315.82	232.46	15.54	1,300.29
	Total	**5,25,169.27**	**12,224.10**	**5,12,945.17**	**5,258.48**	**6,965.63**

Note: The above figures represent provisions determined in accordance with Asset Classification and Provisioning Norms as stipulated under Master Directions (IRAC norms of RBI)

65.1 Provisions and contingencies

Break up of 'Provisions and contingencies' shown under the head expenditure in the Statement of Profit and Loss	As at March 31, 2025	As at March 31, 2024
Provision towards NPA net off write offs	6,969.75	417.88
Provision for standard assets	5,211.20	5,814.00
Provision made towards income tax	12,406.95	9,726.57
Other Provision and contingencies (with details)		
i) Provision for gratuity*	451.07	347.73
ii) Provision for compensated absences*	644.79	416.84
iii) Provision for incentive	1,213.08	1,730.81
iv) Provision for statutory bonus	807.61	1,596.11
v) Provision for fraud	-	6.29
vi) Provision for other receivables	178.16	(106.84)

* Includes actuarial gain/(loss) classified under other comprehensive income.

66 Draw down from reserves

There has been no draw down from reserve during the year ended March 31, 2025 and March 31, 2024.

67 Gold Loans

The company has no loans outstanding for the year ended March 31, 2025 and March 31, 2024 against gold.

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68 Concentration of deposits, advances, exposures and NPAs

68.1 Concentration of advances

Particulars	As at March 31, 2025	As at March 31, 2024
Total advances to twenty largest borrowers	63.03	67.93
Percentage of advances to twenty largest borrowers to total advances of the NBFC	0.01%	0.01%

68.2 Concentration of exposures

Particulars	As at March 31, 2025	As at March 31, 2024
Total exposure to twenty largest borrowers/customers	62.34	67.93
Percentage of exposures to twenty largest borrowers/customers to total exposure of the NBFC borrowers/customers	0.01%	0.01%

68.3 Concentration of NPAs

Particulars	As at March 31, 2025	As at March 31, 2024
Total exposure to top four NPA accounts	8.89	14.58

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69 Movement of NPAs

Particulars			As at March 31, 2025	As at March 31, 2024
(i)	**Net NPAs to net advances (%)**		0.29%	0.05%
(ii)	**Movement of NPAs (Gross)**			
	(a)	Opening balance	1,548.28	1,072.20
	(b)	Additions during the year	17,843.97	2,527.67
	(c)	Reductions during the year	(9,285.18)	(2,051.59)
	(d)	**Closing balance**	**10,107.07**	**1,548.28**
(iii)	**Movement of Net NPAs**			
	(a)	Opening balance	232.46	174.30
	(b)	Additions during the year	1,651.08	451.58
	(c)	Reductions during the year	(62.04)	(393.42)
	(d)	**Closing balance**	**1,821.50**	**232.46**
(iv)	**Movement of provisions for NPAs (excluding provisions on standard assets)**		**As at March 31, 2025**	**As at March 31, 2024**
	(a)	Opening balance	1,315.82	897.90
	(b)	Net provisions made during the year	16,192.89	2,076.09
	(c)	(Write-off)/write-back of excess provisions	(9,223.14)	(1,658.17)
	(d)	**Closing balance**	**8,285.57**	**1,315.82**

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70 Disclosure as required by virtue of RBI Master Direction (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023:

	Particulars	As at March 31, 2025		As at March 31, 2024	
	Liabilities side:	**Outstanding**	**Overdue**	**Outstanding**	**Overdue**
1	**Loans and advances availed by the Non-Banking Financial Company inclusive of interest accrued thereon but not paid**				
	(a) Debentures				
	: Secured	1,667.66	-	6,236.27	-
	: Unsecured (other than falling within the meaning of Public deposits)	43,545.64	-	44,821.98	-
	(b) Deferred credits	-	-	-	-
	(c) Term loans	4,68,156.03	-	3,95,466.66	-
	(d) Inter-corporate loans and borrowing	-	-	-	-
	(e) Commercial paper	-	-	-	-
	(f) Public deposits	-	-	-	-
	(g) Other loans:				
	Other unsecured loans against assets of the Company	-	-	1,504.99	-
	Secured loans against assets of the Company	13,009.14	-	-	-
	Overdraft facility	-	-	-	-
2	**Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):**				
	(a) In the form of unsecured debentures	-	-	-	-
	(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
	(c) Other public deposits	-	-	-	-

	Assets side :	As at March 31, 2025 Outstanding	As at March 31, 2024 Outstanding
3	**Break-up of Loans and advances including bills receivables (other than those included in (4) below) :**		
	(a) Secured	0.64	148.98
	(b) Unsecured	6,51,502.38	5,25,020.29
4	**Break-up of Leased Assets and stock on hire and other assets counting towards** AFC activities		
	(I) Lease assets including lease rentals under sundry debtors :	-	-
	(a) Financial lease	-	-
	(b) Operating lease	-	-
	(II) Stock on hire including hire charges under sundry debtors :	-	-
	(a) Assets on hire	-	-
	(b) Repossessed assets	-	-
	(III) Other loans counting towards AFC activities	-	-
	(a) Loans where assets have been repossessed	-	-
	(b) Loans other than (a) above	-	-
5	**Break-up of Investments :**		
	Current Investments :		
	1. Quoted :		
	(I) Shares :	-	-
	(a) Equity	-	-
	(b) Preference	-	-
	(II) Debentures and bonds	-	-
	(III) Units of mutual funds	-	-
	(IV) Government securities	-	11,559.93
	(V) Others (Repo and certificate of deposits)	13,001.63	-

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(All amounts in ₹ Lakhs unless otherwise stated)

70 Disclosure as required by virtue of RBI Master Direction (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023:

Particulars Asset side:	As at March 31, 2025 Outstanding	As at March 31, 2024 Outstanding
2. Unquoted :		
(I) Shares :	-	-
(a) Equity	-	-
(b) Preference	-	-
(II) Debentures and bonds	-	-
(III) Units of mutual funds	-	-
(IV) Government securities	-	-
(V) Others (please specify)*	-	-
Long Term Investments :		
1. Quoted :		
(I) Shares :	-	-
(a) Equity	-	-
(b) Preference	-	-
(II) Debentures and bonds	-	-
(III) Units of mutual funds	-	-
(IV) Government securities	-	-
(V) Others (please specify)	-	-
2. Unquoted :		
(I) Shares :		
(a) Equity	-	-
(b) Preference	-	-
(II) Debentures and bonds	-	-
(III) Units of mutual funds	-	-
(IV) Government securities	-	-
(V) Others (please specify)	-	-

* In Pass Through Certificates (PTC) representing securitisation of loan receivables

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Chaitanya India Fin Credit Private Limited
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(All amounts in ₹ Lakhs unless otherwise stated)

70 Disclosure as required by virtue of RBI Master Direction (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023:

70.1 Borrower group-wise classification of assets financed:

Category	As at March 31, 2025			As at March 31, 2024		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related parties						
(a) Subsidiaries	-	-	-	-	-	-
(b) Companies in the same group	-	-	-	-	-	-
(c) Other related parties	-	-	-	-	-	-
2. Other than related parties*	-	6,27,097.97	6,27,097.97	-	5,12,945.17	5,12,945.17
Total	**-**	**6,27,097.97**	**6,27,097.97**	**-**	**5,12,945.17**	**5,12,945.17**

*Net of expected credit loss

70.2 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

Category	As at March 31, 2025		As at March 31, 2024	
	Market value/ Breakup or fair value or NAV	Book Value (Net of Provisions)	Market value/ Breakup or fair value or NAV	Book Value (Net of Provisions)
1. Related parties				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	-	-
2. Other than related parties	13,001.63	13,001.63	11,559.93	11,559.93
Total	**13,001.63**	**13,001.63**	**11,559.93**	**11,559.93**

70.3 Other information

Category	As at March 31, 2025	As at March 31, 2024
(i) Gross Non-Performing assets		
(a) Related parties	-	-
(b) Other than related parties	10,107.07	1,548.28
(ii) Net Non-Performing assets		
(a) Related parties	-	-
(b) Other than related parties	1,821.50	232.46

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(All amounts in ₹ Lakhs unless otherwise stated)

71 Public disclosure on Liquidity risk management

a) Funding concentration based on significant Counterparty* (both deposits/ borrowings)

As at March 31, 2025

Number of significant counterparties	Amount	% of Total Deposit	% of Total Liabilities
23	4,80,450.87	-	88.42%

As at March 31, 2024

Number of significant counterparties	Amount	% of Total Deposit	% of Total Liabilities
28	4,04,724.25	-	85.86%

b) Top 20 large deposits (amount in ₹ lakhs and % of total deposits)

The Company being a Non-Deposit taking Non-Banking Financial Company- Middle Layet- Micro Finance Institution registered with Reserve Bank of India does not accept public deposits.

c) Top 10 borrowings (amount in ₹ lakhs and % of total borrowings)

As at March 31, 2025

Amount	% of Total Borrowings
3,22,566.62	61.28%

As at March 31, 2024

Amount	% of Total Borrowings
2,61,745.55	58.42%

d) Funding concentration based on significant instrument / product

Name of the instrument/ product	As at March 31, 2025	% of Total Liabilities	As at March 31, 2024	% of Total Liabilities
Term loans from Banks	4,03,837.31	74.32%	3,10,518.59	65.88%
Term Loans from Financial Institutions	64,318.72	11.84%	84,948.07	18.02%
Non Convertible debentures	26,014.87	4.79%	32,080.06	6.81%
Subordinated Liabilities	19,198.41	3.53%	20,483.19	4.35%
Liability under Securitization arrangement	13,009.14	2.39%	-	0.00%

e) Stock Ratios

As at 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)	-	-	-
Other short-term liabilities	59.99%	57.98%	45.26%

As at March 31, 2024

Particulars	as a % of total public funds*	as a % of total liabilities*	as a % of total assets
Commercial papers	0.00%	0.00%	0.00%
Non-convertible debentures (original maturity of less than one year)	-	-	-
Other short-term liabilities	60.75%	57.56%	46.70%

CHAITANYA INDIA FIN CREDIT PRIVATE LIMITED

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f) Institutional set-up for liquidity risk management

Board of Directors: The Board has the overall responsibility for management of liquidity risk. The Board shall decide the strategy, policies and procedures to manage liquidity risk in accordance with the liquidity risk tolerance/limits decided by it.

Risk Management Committee: The Risk Management Committee is responsible for evaluating the overall risks faced by the NBFC including liquidity risk.

Asset-Liability Management Committee (ALCO): The ALCO ensures adherence to the risk tolerance/limits set by the Board as well as implements the liquidity risk management strategy of the NBFC.

***Notes**

(i) A "significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFC.

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

(iii) Total Liabilities has been computed as sum of all liabilities (Balance sheet figure) less equities and reserve/surplus.

(iv) Other Short-term Liabilities has been computed as Total Short-term Liabilities less Commercial paper less Non-convertible debentures (Original maturity of less than one year), basis extant regulatory ALM guidelines.

(v) Public Funds" shall include funds raised either directly or indirectly through public deposits, commercial paper, debentures, inter-corporate deposits and bank finance but exclude funds raised by issue of instruments compulsory convertible into equity shares with in a period not exceeding 10 years from the date of issue as defined in Regulatory Framework For Core Investment Companies issued vie Notification No. DNBS (PD) CC.No206/03.10.001/2010-11 dated January 5th, 2011.

72 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	As at March 31, 2025	As at March 31, 2024
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	13.38	3.82
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	0.08
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
The amount of interest accrued and remains unpaid at the end of each accounting year.	-	-
The amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

73 Overseas assets (for those with joint ventures and subsidiaries abroad)

The Company does not have any joint venture or subsidiary abroad as on March 31, 2025 and March 31, 2024.

74 Off-balance sheet SPVs sponsored (which are required to be consolidated as per accounting norms)

The Company has not sponsored any off-balance sheet SPVs as at March 31,2025 and March 31, 2024.

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75 Customer complaints

Particulars	As at March 31, 2025	As at March 31, 2024
Complaints received from its customers		
1) Number of complaints pending at the beginning of the year	3	-
2) Number of complaints received during the year	2,425	1,025
3) Number of complaints disposed during the year	2,407	1,022
- Out of which, number of complaints rejected	256	-
4) Number of complaints pending at the end of the year	21	3
Maintainable complaints received from Office of Ombudsman		
5) Number of maintainable complaints received from Office of Ombudsman	3	-
- number of complaints resolved in favour of the Company by Office of Ombudsman	3	-
- number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	-	-
- number of complaints resolved after passing of Awards by Office of Ombudsman against the Company	-	-
6) Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

Grounds of complaints	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 day
1	2	3	4	5	6
	As at March 31, 2025				
Insurance claim settlement	3	236	59%	5	0
Digital Transactions	0	290	1971%	4	0
Credit Bureau Report	0	262	280%	1	0
Recovery Practices	0	340	310%	7	0
Discourteous	0	194	198%	2	0
Loan Related	0	1039	67%	0	0
Others	0	64	191%	2	0
Total	**3**	**2425**		**21**	**0**
	As at March 31, 2024				
Insurance claim settlement	0	148	-46%	3	0
Digital Transactions	0	14	-85%	0	0
Credit Bureau Report	0	69	-19%	0	0
Recovery Practices	0	83	19%	0	0
Discourteous	0	65	282%	0	0
Loan Related	0	624	12380%	0	0
Others	0	22	-37%	0	0
Total	**0**	**1025**		**3**	**0**

76 Information on instances of fraud

Instances of fraud reported for the year ended March 31, 2025:

Nature of fraud	No. of cases	Amount of fraud	Recovery	Amount Provided
Fraud committed by staff	4	11.11	0.85	10.26
Fraud committed by other than staff - Theft	36	18.19	7.89	10.30

The above information is based on FMR 1 filed by the company and relied by the auditors

Instances of fraud reported for the year ended March 31, 2024:

Nature of fraud	No. of cases	Amount of fraud	Recovery	Amount Provided
Fraud committed by staff	4	16.26	0.59	15.67
Fraud committed by other than staff - Theft	24	20.87	10.41	10.46

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77 Liquidity Coverage Ratio Disclosure

Institutional set-up for liquidity risk management

The RBI Master Direction (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, dated 19th October, 2023. As per the said guidelines, LCR requirement shall be binding on all non-deposit taking systemically important NBFCs with asset size of ₹ 5,000 crore and above from December 1, 2020, with the minimum LCR to be 50%, progressively increasing, till it reaches the required level of 100%, by December 1, 2024.

The Company has surpassed asset size of ₹ 5,000 Crores during the current financial year, and is currently required to maintain a minimum LCR of 85% (December 1, 2023). The Company has kept sufficient liquidity position throughout during the year, well above the minimum LCR requirements stipulated by the Master Directions. In lines with the Directions the Company has disclosed in its financial statements, the LCR as a simple average of monthly observations within a quarter (calculated over a period of 90 days) for all four quarters of the current financial year.

The Liquidity Risk Management of the Company is managed by the Asset Liability Committee (ALCO) under the governance of Board approved Liquidity Risk Management Framework Policy. To meet LCR requirements, the Company maintains adequate pool of unencumbered high-quality liquid assets (HQLA) which can be easily converted into cash. The Company's HQLA is composed of highly liquid investments as defined by the aforementioned RBI Master Directions, with appropriate haircuts wherever applicable. The Liquidity Coverage requirements for any given date is derived by arriving the stressed expected cash inflows and outflows for the next 30 calendar days. The Company ensures to maintain a steady funding pipeline from various diversified sources, comprising long-term loans from lending institutions, NCDs, sub-ordinated debts, commercial papers, and sale of asset pools through Direct Assignments and Co-lending. The Company does not have any exposure on derivatives, and there are no currency mismatches in the LCR computation.

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Particulars		Quarter March 31,2025		Quarter December 31,2024		Quarter September 30,2024		Quarter June 30,2024	
(₹ in Lakhs)		Total Unweighted 1 Value (average)	Total Weighted 2 Value (average)	Total Unweighted 1 Value (average)	Total Weighted 2 Value (average)	Total Unweighted 1 Value (average)	Total Weighted 2 Value (average)	Total Unweighted 1 Value (average)	Total Weighted 2 Value (average)
High Quality Liquid Assets									
1	Total High Quality Liquid Assets without any Haircut:	40,217.81	40,217.81	34,333.26	34,333.26	45,831.72	45,831.72	36,065.12	36,065.12
	Total High Quality Liquid Assets with a minimum haircut of 15%:	-	-	-	-	-	-	-	-
Cash Outflows									
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	-	-	-	-	-	-	-	-
4	Secured wholesale funding	-	-	-	-	-	-	-	-
5	Additional requirements, of which	-	-	-	-	-	-	-	-
(i)	Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
(ii)	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii)	Credit and liquidity facilities	-	-	-	-	-	-	-	-
6	Other contractual funding obligations	50,771.83	58,387.61	59,732.95	68,692.89	54,993.21	63,242.19	54,244.76	62,381.48
7	Other contingent funding obligations	-	-	-	-	-	-	-	-
8	**TOTAL CASH OUTFLOWS**	**50,771.83**	**58,387.61**	**59,732.95**	**68,692.89**	**54,993.21**	**63,242.19**	**54,244.76**	**62,381.48**
Cash Inflows									
9	Secured lending	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	61,856.45	52,577.98	62,004.28	52,703.64	62,316.84	52,969.31	60,347.86	51,295.68
11	Other cash inflows	2,117.70	1,800.05	8,199.71	6,969.76	2,552.50	2,169.63	3,329.11	2,829.74
12	**TOTAL CASH INFLOWS**	**63,974.15**	**54,378.03**	**70,203.99**	**59,673.40**	**64,869.34**	**55,138.94**	**63,676.97**	**54,125.43**
			Total Adjusted Value		**Total Adjusted Value**		**Total Adjusted Value**		**Total Adjusted Value**
13	**TOTAL HQLA**	**40,217.81**	**40,217.81**	**34,333.26**	**34,333.26**	**45,831.72**	**45,831.72**	**36,065.12**	**36,065.12**
14	**TOTAL NET CASH OUTFLOWS**	**12,692.96**	**14,596.90**	**14,933.24**	**17,173.22**	**13,748.30**	**15,810.55**	**13,561.19**	**15,595.37**
15	**LIQUIDITY COVERAGE RATIO (%)**	**317%**	**276%**	**230%**	**200%**	**333%**	**290%**	**266%**	**231%**
Components of HQLA need to be disclosed									
	HQLA (Cash / Cash Equivalent)/ Investment)	**Mar-25**		**Dec-24**		**Sep-24**		**Jun-24**	
i	Cash/ Bank Balance	27,226.22		20,113.23		17,656.93		29,800.00	
ii	Reverse Repo	7,997.92		-		13,495.07		-	
iii	T Bills	-		52.91		-		1,046.79	
iv	G-Secs /SDL	-		14,167.12		12,179.71		5,218.33	
v	0% RWA Bonds	4,993.67		-		2,500.00		-	
vi	20% RWA Bonds -Corporate Bonds	-		-		-		-	
	Total	**40,217.81**		**34,333.26**		**45,831.72**		**36,065.12**	

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Particulars		Quarter March 31,2024		Quarter December 31,2023		Quarter September 30,2023		Quarter June 30,2023	
(₹ in Lakhs)		Total Unweighted 1 Value (average)	Total Weighted 2 Value (average)	Total Unweighted 1 Value (average)	Total Weighted 2 Value (average)	Total Unweighted 1 Value (average)	Total Weighted 2 Value (average)	Total Unweighted 1 Value (average)	Total Weighted 2 Value (average)
High Quality Liquid Assets									
1	Total High Quality Liquid Assets without any Haircut:	4,49,032.55	44,020.63	54,502.43	54,550.00	41,391.07	41,391.07	22,522.62	22,522.62
	Total High Quality Liquid Assets with a minimum haircut of 15%:	-	-	-	-	13,778.00	11,711.30	12,726.84	10,817.81
Cash Outflows									
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	50,776.80	58,393.31	50,060.57	57,569.66	43,700.00	50,255.00	43,200.00	49,680.00
4	Secured wholesale funding	-	-	-	-	-	-	-	-
5	Additional requirements, of which	-	-	-	-	-	-	-	-
(i)	Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
(ii)	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii)	Credit and liquidity facilities	-	-	-	-	-	-	-	-
6	Other contractual funding obligations	6,600.00	7,590.00	4,750.00	5,462.50	4,350.00	5,002.50	4,300.42	4,945.48
7	Other contingent funding obligations	-	-	-	-	-	-	-	-
8	**TOTAL CASH OUTFLOWS**	**57,376.80**	**65,983.31**	**54,810.57**	**63,032.16**	**48,050.00**	**55,257.50**	**47,500.42**	**54,625.48**
Cash Inflows									
9	Secured lending	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	50,150.00	37,612.50	53,397.57	40,048.18	48,000.00	36,000.00	42,300.00	31,725.00
11	Other cash inflows	3,000.00	2,250.00	3,000.00	2,250.00	3,500.00	2,625.00	2,500.00	1,875.00
12	**TOTAL CASH INFLOWS**	**53,150.00**	**39,862.50**	**56,397.57**	**42,298.18**	**51,500.00**	**38,625.00**	**44,800.00**	**33,600.00**
			Total Adjusted Value		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value
13	**TOTAL HQLA**	**4,49,032.55**	**44,020.63**	**54,502.43**	**54,550.00**	**55,169.07**	**53,102.37**	**35,249.47**	**33,340.44**
14	**TOTAL NET CASH OUTFLOWS**	**14,344.20**	**26,120.81**	**13,702.64**	**20,733.98**	**12,012.50**	**16,632.50**	**11,875.10**	**21,025.48**
15	**LIQUIDITY COVERAGE RATIO (%)**	**3130%**	**169%**	**398%**	**263%**	**459%**	**319%**	**297%**	**159%**
Components of HQLA need to be disclosed									
	HQLA (Cash / Cash Equivalent)/ Investment)	**Mar-24**		**Dec-23**		**Sep-23**		**Jun-23**	
i	Cash/ Bank Balance	4,47,607.77		34,602.43		27,321.07		22,522.62	
ii	Reverse Repo	1,277.91		13,500.00		6,798.00		-	
iii	T Bills	(14.49)		400.00		2,023.00		-	
iv	G-Secs /SDL	161.36		6,000.00		4,734.00		-	
v	0% RWA Bonds	-		-		515.00		-	
vi	20% RWA Bonds -Corporate Bonds	-		-		13,778.00		12,726.84	
	Total	**4,49,032.55**		**54,502.43**		**55,169.07**		**35,249.47**	

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78 Analytical Ratios

Ratios	Numerator	Denominator	As at March 31, 2025	As at March 31, 2024	% Variance
Capital to risk-weighted assets ratio (CRAR)	1,53,901.22	6,53,505.19	23.55%	22.27%	5.77%
Tier I CRAR	1,35,705.11	6,53,505.19	20.77%	17.98%	15.47%
Tier II CRAR	18,196.11	6,53,505.19	2.78%	4.28%	-34.98%

79 Penalties and Strictures

No penalties have been levied by any other regulator on the Company during the year ended March 31, 2025.

80 With reference to RBI Master Direction (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, dated 19th October, 2023, no loans and advances were given to Directors and their relatives, Entities associated with directors and their relatives, Senior officers and their relatives during the year ended March 31, 2025.

81 Additional disclosures pursuant to the RBI/2021-22/112DOR.CRE.REC.No. 60/03.10.001/2021-22 dated October 22, 2021 on Scale Based Regulation (SBR) : A Revised Regulatory Framework for NBFCs

The Company is a debt listed NBFC and the Corporate Governance Disclosure is covered under the corporate governance/ appropriate section of the Annual Report.

82 Additional Disclosures as per Schedule III of the Companies Act, 2013

a) The company recorded all transactions and there is no additional surrendered or disclosed income during the year in the tax assessments under the Income Tax Act. 1961. There is no such income which was previously unrecorded, but subsequently recorded in the books of accounts during the year.

b) There are no transactions with struck off companies during the year ended March 31, 2025 and March 31, 2024.

c) The Company has not traded or invested in Crypto currency or Virtual currency during the year ended March 31, 2025 and March 31, 2024.

d) The Company does not have any Benami property. No proceedings have been initiated or are pending against the Company for holding any Benami property.

e) The Company has not been declared a wilful defaulter by any bank or financial institution or other lender.

f) There are no charges or satisfaction which are yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

g) Utilisation of Borrowed funds and share premium:

(A) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall -

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

(B) The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

h) The Company has not deviated in any compliance with the requirements of Companies Act, 2013, including with respect to compliance with accounting standards.

83 The Board of Directors of the Company at their meeting held on November 06, 2024 have inter-alia, considered and approved the draft Scheme of Amalgamation ("Scheme") between Svatantra Holdings Private Limited ('First Transferor Company'), Chaitanya India Fin Credit Private Limited ('Second Transferor Company') and Svatantra Microfin Private Limited ('Transferee Company) and their respective shareholders under sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013. The Scheme is subject to the receipt of necessary approvals from the statutory and regulatory authorities including the Reserve Bank of India (RBI), Competition Commission of India (CCI), Securities and Exchange Board of India (SEBI), BSE Limited and the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench and such other approvals, permission and sanctions, as may be necessary.
The BSE vide its letter dated February 06, 2025 bearing number DCS/AMAL/TS/REG59A/351/ 2024-25 has issued Observation Letter with 'no adverse observations' on the Scheme of Amalgamation.

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84 Previous year comparatives

Figures of the previous period have been regrouped, wherever necessary, to conform to the classification / disclosure adopted in the current year.

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

Vineet Bijendra Chattree
Whole Time Director
DIN No. 07962531

Mumbai
23.05.2025

Rakesh Yadav
Chief Financial Officer

Mumbai
23.05.2025

Anand Rao
Managing Director
DIN: 01713987

Bengaluru
23.05.2025

Neeraj Jain
Company Secretary
Membership No: 12273
Mumbai
23.05.2025

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

Rahul Singhal
Partner
Membership No. 096570

Gurugram
23.05.2025

S.R. BATLIBOI & CO. LLP
Chartered Accountants

12th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai - 400 028, India
Tel : +91 22 6819 8000

INDEPENDENT AUDITOR'S REPORT

To the Members of Svatantra Microfin Private Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Svatantra Microfin Private Limited (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31 2025, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement 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 reports of other auditors on separate financial statements and on the other financial information of the subsidiary, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2025, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equityfor 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), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 for the financial year ended March 31, 2025. 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of component not audited by us, as reported by them in their audit reports



furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
(a) Impairment of loans (expected credit losses) *(refer note 10 and note 42(C) to the consolidated financial statements)*	
Indian Accounting Standard (Ind AS) 109 Financial Instruments requires the Company to provide for impairment of its loans using the expected credit loss (ECL) approach. ECL involves an estimation of probability weighted loss on financial assets over their life, considering reasonable and supportable information about past events, current conditions, and forecasts of future economic conditions and other factors which could impact the credit quality of the Company's loans. In the process, a significant degree of judgement and estimates have been applied by the management for: • Grouping of borrowers (Microfinance loan portfolio) based on homogeneity for estimating probability of default (PD), loss given default (LGD) and exposure at default (EAD); • Staging of loans (i.e. classification as "significant increase in credit risk" (SICR) or "credit impaired" categories) based on overdue status and/or qualitative assessment; • Application of an appropriate statistical/ quantitative model for determining the PD, LGD and EAD estimates; • Determining relevant macro-economic and other factors impacting credit quality of loans. The Company has also recorded a management overlay as part of its ECL, to reflect among other things an increased risk of deterioration in relevant macro-economic factors. In view of the high degree of management's judgement involved in estimation of ECL and the overall significance of the impairment loss allowance to the standalone financial statements, it is considered as a key audit matter.	Our audit procedures included the following: • Considered the Company's accounting policies for impairment of loans and assessed compliance with Ind AS 109 and the governance framework approved by the Board of Directors pursuant to applicable Reserve Bank of India guidelines ("the RBI Guidelines"). • Evaluated the reasonableness of the management estimates by understanding the process of ECL estimation and related assumptions. Tested the internal controls around extraction, validation and computation of the input data used in such estimation. • Assessed the criteria for staging of loans based on their overdue status to check compliance with requirement of Ind AS 109. Tested a sample of performing (stage 1) loans to assess whether any SICR or impairment indicators were present requiring them to be classified under stage 2 or stage 3. • Involved internal specialist for testing of the ECL estimates, including factors that affect the PD, LGD and EAD considering various forward looking macro-economic and other factors. • Tested assumptions used by the management in in respect of post-model adjustments. • Tested the arithmetical accuracy of computation of ECL provision performed by the Company. • Assessed adequacy of disclosures included in the standalone financial statements in respect of expected credit losses.



Key audit matters	How our audit addressed the key audit matter
(b) IT systems and controls	
The financial accounting and reporting systems of the Company are fundamentally reliant on IT systems and IT controls to process significant transaction volumes. Automated accounting procedures and IT environment controls, which include IT governance, general IT controls over program development and changes, access to programs and data and IT operations, are required to be designed and to operate effectively to ensure accurate financial reporting. Any gaps in the IT control environment could result in a material misstatement of the financial accounting and reporting records. Therefore, in view of the pervasive nature and complexity of the IT environment, the assessment of the general IT controls and the application controls specific to the accounting and preparation of the financial information is considered to be a key audit matter.	Our audit procedures, assisted by our internal IT experts, on the IT infrastructure and applications relevant to financial reporting included the following: • The aspects covered in the assessment of IT general controls comprised: (i) User Access Management; (ii) Program Change Management; (iii) Other related ITGCs - to understand the design and test the operating effectiveness of such controls in respect of information systems that are important to financial reporting ("in-scope applications"). • Tested the changes that were made to the in-scope applications during the audit period to assess changes that have impact on financial reporting. • Tested the Company's periodic review of access rights. We also inspected requests of changes to systems for appropriate approval and authorization. • Tested the configuration of the audit trail feature in the accounting software and maintenance of back-up as per extant regulatory requirements. • Performed tests of controls (including other compensatory controls, wherever applicable) on the IT application controls and IT dependent manual controls in the system. • Tested the design and operating effectiveness of compensating controls in case deficiencies were identified and, where necessary, extended the scope of our substantive audit procedures.

B. Key audit matters of Subsidiary Company - Chaitanya India Fin Credit Private Limited ('Chaitanya') as provided by the auditor of Chaitanya

Key audit matters	How their audit addressed the key audit matter
Allowances for Expected Credit Losses: *(as described in Note 42(C) of the consolidated financial statements)*	
As at March 31, 2025 loan assets aggregated ₹ 627,097.97 lakhs, constituting 90% of the Company's total assets. Significant judgement is used in classifying these loan assets and applying appropriate	**Principal audit procedures performed:** Read the policies approved by the Board of Directors of the Company that articulate the objectives of managing each portfolio and their business models.



Key audit matters	How their audit addressed the key audit matter
measurement principles. The allowance for expected credit losses ("ECL") on such loan assets measured at amortised cost is a critical estimate involving greater level of management judgement. As part of our risk assessment, we determined that the allowance for ECL on loan assets has a high degree of estimation uncertainty, with a potential range of reasonable outcomes for the financial statements. The elements of estimating ECL which involved increased level of audit focus are the following: ‣ Qualitative and quantitative factors used in staging the loan assets measured at amortised cost. ‣ Basis used for estimating Probabilities of Default ("PD "), ‣ Basis used for estimating Loss Given Default ("LGD") ‣ Judgements used in projecting economic scenarios and probability weights applied to reflect future economic conditions. ‣ Adjustments to model driven ECL results to address emerging trends.	Evaluated the management estimates by understanding the process of ECL estimation and related assumptions and tested the controls around data extraction, validation and computation. Assessed the methodology adopted for computation of ECL ("ECL Model") that addresses policies approved by the Board of Directors, procedures and controls for assessing and measuring credit risk on all lending exposures measured at amortised cost. Tested that adjustment done to the output of the ECL Model is consistent with the documented rationale and basis for such adjustments and that the amount of adjustment has been approved by the Board of Directors. Checked disclosures made in relation to the ECL allowance in financial statements.

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

Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the [information included in the Annual report, but does not include the consolidated financial statements and our auditor's report thereon.

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 and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.



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

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of their respective company.

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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 auditor's 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.
- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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 for the financial year ended March 31, 2025 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 Matters

(a) We did not audit the financial statements and other financial information, in respect of one subsidiary whose financial statements include total assets of Rs. 6,96,162 lakhs as at March 31, 2025, and total revenues of Rs. 1,56,218 lakhs and net cash outflows of Rs. 5,177 lakhs for the year ended on that date. Those financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of such other auditors.



(b) The consolidated financial statements of the Company for the year ended March 31, 2024, included in these consolidated financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 29, 2024.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary company, incorporated in India and to the extent applicable, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiary, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors except for the matters stated in the 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 including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2025 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary company, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above.

(g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary company and the operating effectiveness of such controls, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of such subsidiary company, incorporated in



India and to the extent applicable, as noted in the 'Other Matter' paragraph, refer to our separate Report in "Annexure 2" to this report;

(h) The provisions of section 197 read with Schedule V of the Act are not applicable to the Holding Company and its subsidiary incorporated in India for the year ended March 31, 2025;

(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 and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiary, as noted in the 'Other matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated financial statements - Refer Note 36A to the consolidated financial statements;

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 8 to the consolidated financial statements in respect of such items as it relates to the Group;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary, incorporated in India during the year ended March 31, 2025.

iv. a) The respective managements of the Holding Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary respectively that, to the best of its knowledge and belief, as disclosed in the note 61 to the consolidated 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 Holding Company or any of such subsidiary to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary respectively that, to the best of its knowledge and belief, as disclosed in the note 61 to the consolidated financial statements, no funds have been received by the respective Holding Company or any of such subsidiary from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiary which are companies incorporated in India whose financial statements have been audited under the Act,



nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. The interim dividend paid by the Holding Company on the Compulsorily Convertible Non-Cumulative Preference Shares during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

The interim dividend declared and paid during the year by the Holding Company on the Compulsorily Convertible Non-Cumulative Preference Shares during the year and until the date of the audit reports of such Holding Company, is in accordance with section 123 of the Act.

vi. Based on our examination which included test checks and that performed by the respective auditors of the subsidiary which are companies incorporated in India whose financial statements have been audited under the Act, the Holding Company and the subsidiary have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, i) in case of the Holding Company, with respect to the software used for general ledger and loan management, the audit trail feature is not enabled for direct changes to data when using certain access rights till June-24 and in respect of certain software for loan origination, the audit trail feature is not enabled for direct changes to data when using certain access rights, and ii) in case of the subsidiary, with respect to the software used for general ledger, the audit trail feature is not enable for certain fields and tables at application level, as described in note 65 to the consolidated financial statements. Further, during the course of our audit we and the auditors of the subsidiary company did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of relevant prior years has been preserved by the Holding Company and the subsidiary as per the statutory requirements for record retention, to the extent it was enabled and recorded in those respective years, as stated in note 65 to the consolidated financial statements.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Rutushtra Patell**
Partner
Membership Number: 123596

UDIN: 25123596BMIZSF6817

Mumbai
May 29, 2025

S.R. BATLIBOI & CO. LLP
Chartered Accountants

Annexure 1 Referred to in Paragraph Under the Heading "Report on Other Legal and Regulatory Requirements" of Our Report of Even Date on the Consolidated Financial Statements of Svatantra Microfin Private Limited

Based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary company, as noted in the 'Other Matter' paragraph we state that:

3(xxi) There are no qualifications or adverse remarks by the respective auditors in their report on Companies (Auditors Report) Order, 2020 of the companies included in the consolidated financial statements except for following where the respective auditors have reported qualifications or adverse remarks in their audit report to the principal auditor.

S.No	Name	CIN	Holding company/Subsidiary	Clause number of the CARO report which is qualified or adverse
1	Chaitanya India Fin Credit Private Limited	U67190MH2009PTC427833	Subsidiary	iii (c) and iii (d)
2	Svatantra Microfin Private Limited	U74120MH2012PTC227069	Holding Company	iii (c) and iii (d)

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

RKP.

per Rutushtra Patell
Partner
Membership Number: 123596

UDIN: 25123596BMIZSF6817

Mumbai
May 29, 2025

S.R. BATLIBOI & CO. LLP
Chartered Accountants

Annexure 2 to the Independent Auditor's Report of Even Date on the Consolidated Financial Statements of Svatantra Microfin Private Limited

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

In conjunction with our audit of the consolidated financial statements of Svatantra Microfin Private Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2025, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding 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 on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to 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 financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the 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 control with reference to consolidated financial statement is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to 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 Group, which are companies incorporated in India, have, maintained in all material respects, 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 March 31,2025, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to the one subsidiary, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary incorporated in India.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Rutushtra Patell**
Partner
Membership Number: 123596
UDIN: 25123596BMIZSF6817

Mumbai
May 29, 2025



Svatantra Microfin Private Limited
Consolidated balance sheet as at 31 March 2025
(All amounts in ₹ Lakhs unless otherwise stated)

Particulars	Notes	As at 31 March 2025	As at 31 March 2024
ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	7	66,954	1,37,099
(b) Bank balances other than cash and cash equivalents	7	17,124	15,675
(c) Derivative financial instruments	8	540	-
(d) Receivables			
(i) Trade receivables	9	467	320
(ii) Other receivables	9	108	213
(e) Loans	10	12,09,799	11,53,225
(f) Investments	11	5,498	6,560
(g) Other financial assets	12	20,165	18,860
Total financial assets		**13,20,655**	**13,31,952**
(2) Non-financial assets			
(a) Current tax assets (net)		2,666	620
(b) Deferred tax assets (net)	13	16,193	13,472
(c) Property, plant and equipment	14	4,023	3,508
(d) Right of use asset	15	1,552	1,972
(e) Goodwill		55,380	55,380
(f) Intangibles assets	16	3,045	4,729
(g) Intangible assets under development	17	1,571	-
(h) Other non financial assets	18	5,558	4,570
Total non-financial assets		**89,988**	**84,251**
TOTAL ASSETS		**14,10,643**	**14,16,203**
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial liabilities			
(a) Payables	19		
I) Trade payables			
(i) Total outstanding dues of micro enterprises and small enterprises		331	-
(ii) Total outstanding dues of creditors other than micro enterprises and		2,439	1,091
II) Other payables			
(i) Total outstanding dues of micro enterprises and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro enterprises and		675	1,431
(b) Debt securities	20	26,015	37,057
(c) Borrowings (other than debt securities)	21	9,16,954	10,19,704
(d) Subordinated liabilities	22	60,208	61,295
(e) Lease liabilities		1,720	2,025
(f) Other financial liabilities	23	24,337	29,276
Total financial liabilities		**10,32,679**	**11,51,879**
(2) Non-financial liabilities			
(a) Provisions	24	4,605	3,364
(b) Other non-financial liabilities	25	1,238	2,365
(c) Current tax liabilities (net)		-	108
Total non-financial liabilities		**5,843**	**5,837**
TOTAL LIABILITIES		**10,38,522**	**11,57,716**
EQUITY			
(a) Equity share capital	26	62,689	25,205
(b) Instruments entirely equity in nature	26	-	1,75,500
(c) Other equity	26	3,09,432	57,782
Equity attributable to Owners of the Holding Company		3,72,121	2,58,487
Non-controling interest		-	-
TOTAL EQUITY		**3,72,121**	**2,58,487**
TOTAL LIABILITIES AND EQUITY		**14,10,643**	**14,16,203**

Summary of material accounting policies 3
The accompanying notes are an integral part of consolidated financial statements

As per our report of even date attached
S.R. Batliboi & Co. LLP
Chartered Accountants
Firm's Reg. No.: 301003E/E300005

per Rutushtra Patell
Partner
Membership No. 123596
Place : Mumbai
Date : 29 May 2025

For and on behalf of the Board of Directors of
Svatantra Microfin Private Limited

Ananyashree Birla
Director
DIN No. 06625036
Place : Mumbai
Date : 29 May 2025

Vineet Bijendra Chattree
Managing Director
DIN No. 07962531
Place : Mumbai
Date : 29 May 2025

Vrushali Mahajan
Chief Financial Officer
Place : Mumbai
Date : 29 May 2025

Surinder Kumar Bhatia
Company Secretary
Membership No. 17227
Place : Mumbai
Date : 29 May 2025

Svatantra Microfin Private Limited
Consolidated statement of profit and loss for the year ended 31 March 2025
(All amounts in ₹ Lakhs unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2025	For the year ended 31 March 2024
Revenue from operations			
Interest income	27	2,87,883	1,98,163
Fees and commission income	28	983	1,263
Net gain on fair value changes	29	2,778	1,800
Net gain on derecognition of financial instruments under amortized cost category		23,916	18,609
Total Revenue from operations		**3,15,560**	**2,19,835**
Other income	30	5,115	3,317
Total income		**3,20,675**	**2,23,152**
EXPENSES			
Finance costs	31	1,06,359	82,342
Impairment on financial instruments	32	51,436	40,801
Employee benefit expenses	33	68,135	36,233
Depreciation and amortization expenses	34	4,137	1,260
Other expenses	35	35,380	20,014
Total expenses		**2,65,447**	**1,80,650**
Profit before tax		**55,228**	**42,502**
Tax expense:			
Current tax	37	16,120	12,383
Excess/short provision of tax relating to earlier years		(90)	209
Deferred tax credit		(2,685)	(2,342)
Profit for the year after tax [A]		**41,883**	**32,252**
Profit attibutable to Non-controling Interest		-	-
Profit for the year		**41,883**	**32,252**
Other comprehensive income, net of tax			
Item that will not to be reclassified to the statement of profit and loss			
Remeasurement of the defined benefit		(143)	(64)
Less: Income tax expense on above		36	16
Subtotal (I)		**(107)**	**(48)**
Item that will be reclassified to the statement of profit and loss		(205)	(262)
Less: Income tax expense on above		52	66
Subtotal (II)		**(153)**	**(196)**
Total other comprehensive income for the year [I+II] [B]		**(260)**	**(244)**
Total comprehensive income for the year [A+B]		**41,623**	**32,008**
Profit attributable to:			
Owners of the Holding Company		**41,883**	**32,252**
Non-controling interest		-	-
Other Comprehensive Income attributable to:			
Owners of the Holding Company		**(260)**	**(244)**
Non-controling interest		-	-
Total Comprehensive Income attributable to:			
Owners of the Holding Company		**41,623**	**32,008**
Non-controling interest		-	-
Earnings per equity share (Rs.)			
Basic		7.54	7.95
Diluted		7.51	7.91
Nominal value per share		10.00	10.00
Summary of material accounting policies	3		

The accompanying notes are an integral part of consolidated financial statements

As per our report of even date attached
S.R. Batliboi & Co. LLP
Chartered Accountants
Firm's Reg. No.: 301003E/E300005

per Rutushtra Patell
Partner
Membership No. 123596
Place : Mumbai
Date : 29 May 2025

S.R. BATLIBOI & CO. LLP ★ MUMBAI ★ Chartered Accountants

SVATANTRA MICROFIN PRIVATE LIMITED ★ MUMBAI ★

For and on behalf of the Board of Directors of
Svatantra Microfin Private Limited

Ananyashree Birla
Director
DIN No. 06625036
Place : Mumbai
Date : 29 May 2025

Vineet Bijendra Chattree
Managing Director
DIN No. 07962531
Place : Mumbai
Date : 29 May 2025

Vrushali Mahajan
Chief Financial Officer
Place : Mumbai
Date : 29 May 2025

Surinder Kumar Bhatia
Company Secretary
Membership No. 17227
Place : Mumbai
Date : 29 May 2025

Svatantra Microfin Private Limited
Consolidated statement of cash flows for the year ended 31 March 2025
(All amounts in ₹ Lakhs unless otherwise stated)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Profit before tax	**55,228**	**42,502**
Cash flow from operating activities		
Adjustment for:		
Gain on derecognition	(23,916)	(18,609)
Income from investment	(4,494)	(1,800)
Depreciation and amortisation	4,137	1,260
Amortisation of Interest expenses	2,463	1,086
Interest on fixed deposits	(2,142)	(2,287)
Share based payments to employees	99	-
Finance cost on lease liabilities	204	122
Amortisation of Interest income	(949)	(1,087)
Impairment on financial instruments	51,436	40,801
Fair value changes on deferred tax assets	-	(927)
Movement in working capital:		
- (Increase) / decrease in loans and advances	(1,07,267)	(1,34,387)
- (Increase) / decrease in receivables	(108)	2,666
- (Increase) / decrease in other financial assets	22,611	13,297
- (Increase) / decrease in other non financial assets	(927)	2,184
- Increase / (decrease) in trade payables	989	(1,505)
- Increase / (decrease) in other financial Liabilities	(4,939)	(718)
- Increase / (decrease) in other non financial Liabilities	(1,126)	(527)
- Increase / (decrease) in provisions	1,098	542
Cash flow generated from/(used in) operations	**(7,603)**	**(57,387)**
Income tax paid (net)	(18,134)	(12,225)
Cash flow generated from/(used in) operations [A]	**(25,737)**	**(69,612)**
Cash flow from/(used in) investing activities		
Purchase of property, plant and equipment, intangibles including intangibles underdevelopment	(4,034)	(7,828)
Proceeds from sale of property, plant and equipment and intangibles	21	6,328
Capital advance given	(61)	(1,066)
Purchase of mutual funds	(7,64,168)	(6,57,869)
Proceeds of sale of mutual funds	7,66,729	6,59,669
Interest received on fixed deposits	1,322	2,801
Purchase of Government securities and others	(30,97,388)	-
Proceeds from Government securities and others	31,00,384	29,996
Acquisition of subsidiary	-	(1,55,598)
Maturity /(investments) of / in fixed deposits	(629)	35,626
Cash flow generated from/(used in) investing activities [B]	**2,176**	**(87,941)**
Cash flow from/(used in) financing activities		
Proceeds from issue of share capital (including securities premium)	83,000	-
Proceeds from issuance of compulsorily convertible preference shares	-	1,10,000
Proceeds from borrowings, debt securities and subordinated liabilities	5,97,500	6,27,912
Repayment of borrowings, debt securities and subordinated liabilities	(7,15,383)	(5,07,029)
Dividend paid	(11,087)	-
Repayment of lease liabilities	(614)	(398)
Cash flow generated from/(used in) financing activities [C]	**(46,584)**	**2,30,485**
Net increase/(decrease) in cash and cash equivalents [A+B+C]	**(70,146)**	**72,932**
Cash and cash equivalents at the beginning of the year (Refer Note 7)	1,37,099	54,948
Cash and cash equivalents acquired pursuant to business combination	-	9,219
Cash and cash equivalents at the end of the year (Refer Note 7)	66,954	1,37,099

S.R. BATLIBOI & CO. LLP MUMBAI 2 Chartered Accountants

SVATANTRA MICROFIN PRIVATE LIMITED MUMBAI

Svatantra Microfin Private Limited
Consolidated statement of cash flows for the year ended 31 March 2025

Change in liabilities arising from financing activities

Particulars	As at 1 April 2023	Cash flows	Change in fair value	Non Cash Adjustment	As at 31 March 2024
Debt securities	37,800	(695)	-	(47)	37,058
Borrowings(Other than debt securities)	8,66,887	1,47,895		4,922	10,19,704
Subordinated liabilities	68,127	(7,500)	-	668	61,295

Particulars	As at 1 April 2024	Cash flows	Change in fair value	Non Cash Adjustment	As at 31 March 2025
Debt securities	37,058	(11,541)	-	498	26,015
Borrowings(Other than debt securities)	10,19,704	(1,04,841)		2,092	9,16,955
Subordinated liabilities	61,295	(1,500)	-	414	60,209

Notes:
1. All figures in bracket are outflow.
2. The statement of cash flow has been prepared under Indirect Method as per Ind AS 7 "Statement of Cash Flows".
3. Taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
4. For movement of lease liabilities, refer note no. 45

The accompanying notes are an integral part of consolidated financial statements

As per our report of even date attached
S.R. Batliboi & Co. LLP
Chartered Accountants
Firm's Reg. No.: 301003E/E300005

per Rutushtra Patell
Partner
Membership No. 123596
Place : Mumbai
Date : 29 May 2025

S.R. BATLIBOI & CO. LLP MUMBAI Chartered Accountants

SVATANTRA MICROFIN PRIVATE LIMITED MUMBAI

For and on behalf of the Board of Directors of
Svatantra Microfin Private Limited

Ananyashree Birla
Director
DIN No. 06625036
Place : Mumbai
Date : 29 May 2025

Vineet Bijendra Chattree
Managing Director
DIN No. 07962531
Place : Mumbai
Date : 29 May 2025

Vrushali Mahajan
Chief Financial Officer
Place : Mumbai
Date : 29 May 2025

Surinder Kumar Bhatia
Company Secretary
Membership No. 17227
Place : Mumbai
Date : 29 May 2025

Svatantra Microfin Private Limited
Consolidated statement of Changes in Equity for the year ended 31 March 2025
(All amounts in ₹ Lakhs unless otherwise stated)

A. **Equity share capital**

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	25,20,46,875	25,205	25,20,46,875	25,205
Change in equity share capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	25,20,46,875	25,205	25,20,46,875	25,205
Changes in equity share capital during the year	37,48,39,705	37,484	-	-
Balance at the end of the year	**62,68,86,580**	**62,689**	**25,20,46,875**	**25,205**

B. **Instruments entirely equity in nature**

Compulsorily convertible non-cumulative preference shares ("CCPS")

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	17,55,00,000	1,75,500	6,55,00,000	65,500
Change during the year	(17,55,00,000)	(1,75,500)	11,00,00,000	1,10,000
Balance at the end of the year	-	-	**17,55,00,000**	**1,75,500**

C. **Other equity**

Particulars	Reserves and surplus						Other comprehensive income		Total
	Securities premium	Capital reserve	Statutory reserves	Impairment reserve	Employee stock option plan reserve	Retained earnings	Remeasurement of gain/(loss) on defined benefit plans	Effective portion of cash flow hedge	
Balance at 31 March 2023	4	442	5,179	235	187	18,195	18	-	24,260
Profit for the year	-	-	-	-	-	32,252		-	32,252
Remeasurement of the net defined benefit liability/asset (net of tax)	-	-	-	-	-	-	(243)	-	(243)
Transfer to statutory reserve	-	-	10,434	-	-	(10,434)	-	-	-
Expenses on stock option plan	-	-	-	-	53	-	-	-	53
Fair value changes on assets and liabilities	-	-	-	-	-	1,460	-	-	1,460
Balance at 31 March 2024	4	442	15,613	235	240	41,473	(225)	-	57,782
Profit for the year						41,883		-	41,883
Remeasurement of the net defined benefit liability/asset (net of tax)	-	-	-	-	-	-	(218)	-	(218)
Derivatives designated at cash flow hedge								(42)	(42)
Transfer to security premium	2,21,016	-	-	-	-	-	-	-	2,21,016
Transfer to statutory reserve	-	-	8,605	-	-	(8,605)	-	-	-
Expenses on stock option plan	-	-	-	-	99	-	-	-	99
Dividend on CCPS	-	-	-	-	-	(11,088)	-	-	(11,088)
Balance at 31 March 2025	2,21,020	442	24,218	235	339	63,663	(443)	(42)	3,09,432

The accompanying notes are an integral part of consolidated financial statements

As per our report of even date attached
S.R. Batliboi & Co. LLP
Chartered Accountants
Firm's Reg. No.: 301003E/E300005

per Rutushtra Patell
Partner
Membership No. 123596
Place : Mumbai
Date : 29 May 2025

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Chief Financial Officer
Place : Mumbai
Date : 29 May 2025

Surinder Kumar Bhatia
Company Secretary
Membership No. 17227
Place : Mumbai
Date : 29 May 2025

Svatantra Microfin Private Limited
Notes to the consolidated financial statements for the year ended 31 March 2025

1 Corporate Information

Svatantra Microfin Private Limited ('the Holding Company" or "SMPL") (CIN: U74120MH2012PTC227069) is a private limited company incorporated on 17 February 2012 under the provision of the Companies Act, 1956 applicable in India having its registered office at 20th Floor, Sunshine Towers, Senapati Bapat Marg, Elphinstone Road (W), Mumbai - 400 013, Maharashtra. The Holding Company is registered with Reserve Bank of India (RBI) as a "Non Banking Financial Company- Micro Finance Institution with effect from 05 February 2013 (Certificate of Registration Number: N-13.02038)". It's non-convertible debentures are listed on BSE Limited.

SMPL is a Holding Company of Chaitanya India Fin Credit Private Limited ('the Subsidiary Company) with effect from 23 November 2023. The Holding Company and its subsidiary (the 'Group') are engaged primarily in providing micro finance services to women and organized as Joint Liability Groups ('JLG') or Individual Loans ('IL'). In addition to the core business of providing micro-credit, the Group uses its distribution channel to provide certain other financial products and services to the members.

2 Basis of accounting and preparation of consolidated financial statements

i Statement of Compliance

The consolidated financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, (as amended from time to time) and other relevant provisions of the Act. Any application guidance/clarifications/ directions issued by Reserve bank of India and other regulators are implemented as and when they are issued/ applicable.

These consolidated financial statements have been prepared and presented under the historical cost convention, on the accrual basis except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The consolidated financial statements have been prepared on going concern basis in accordance with the Ind AS 1.

3 Material accounting policies

i Preparation of Consolidated Financial Statements

The Group prepares and presents its consolidated balance sheet, the consolidated statement of profit and loss and the consolidated statement of changes in equity in the format prescribed by Division III of Schedule III to the Act. The consolidated statement of cash flows has been prepared and presented as per the requirements of Ind AS 7 'Statement of Cash Flows'.

The Group presents its balance sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non–current) is presented in Notes to financial statements.

The Group consistently applies the following accounting policies to all periods presented in these consolidated financial statements, unless otherwise stated.

The consolidated financial statements for the year ended 31 March 2025 were authorised for issue by the board of directors as on 29 May 2025.

Details of companies consolidated in these consolidated financial statements:

Name of the company	Type	Country of Incorporation	Holding as at 31 March 2025
Svatantra Microfin Private Limited	Holding Company	India	Holding Company
Chaitanya India Fin Credit Private Limited	Subsidiary Company	India	100%

ii. Principles of consolidation

The consolidated financial statements incorporate the financial statements of the Holding Company and its subsidiary, being the entity that it controls. Control is evidenced where the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Power is demonstrated through existing rights that give the ability to direct relevant activities, which significantly affect the entity returns. The financial statement of subsidiaries are prepared for the same reporting year as the parent company.

The consolidated financial statements include results of the subsidiaries of Svatantra Microfin Private Limited (Parent Company), consolidated in accordance with Ind AS 110 'Consolidated Financial Statement'.
Figures for preparation of consolidated financial statements have been derived from the audited financial statements of the Chaitanya India Fin Credit Private Limited.

a. The financial statements of the Holding Company and its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intragroup balances and intra-group transactions.

b. Profits or losses resulting from intra-group transactions that are recognised in assets, such as Property, Plant and Equipment, are eliminated in full.

c. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

d. The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.

e. The carrying amount of the parent's investment in subsidiary is offset (eliminated) against the parent's portion of equity in subsidiary.

f. Non-Controlling Interest's share of net assets of consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet.

S.R. BATLIBOI & CO. LLP MUMBAI 2 Chartered Accountants

SVATANTRA MICROFIN PRIVATE LIMITED MUMBAI

iii Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed in the periods in which the costs are incurred and the services are received, with the exception of the costs of issuing debt or equity securities that are recognised in accordance with Ind AS 32 and Ind AS 109.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

i. Deferred tax assets or liabilities, and the liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
ii. Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
iii. Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.
iv. Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

When additional payments contingent on future events are negotiated and agreed as part of the business combination agreement, the entity analyses the nature as well as economic substance of these payments, particularly, payments made to those who remain as employees of the business after it is acquired, to determine whether these whether they are in the nature of payment for future employee services or they represent contingent consideration for business combination. In the former case, depending on the exact terms of the arrangement, the payments to be made are accounted for as remuneration for services to be received subsequent to the acquisition, rather than as part of the consideration paid for the business. Any contingent consideration to be transferred by the acquirer, i.e., contingent payment to be treated as such, is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss in accordance with Ind AS 109. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS and shall be recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

S.R. BATLIBOI & CO. LLP MUMBAI 2 Chartered Accountants

SVATANTRA MICROFIN PRIVATE LIMITED MUMBAI

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date

iv Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees ('INR' or 'Rs.') which is also the Group's functional currency. All amounts are rounded-off to the nearest lakhs, unless otherwise indicated.

v Measurement of fair values

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

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

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

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

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

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

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

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 -Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

vi Revenue recognition

Interest Income

Interest income is recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial assets measured at amortised cost other than credit-impaired assets and financial assets classified as measured at FVTPL. Interest income on credit impaired assets is recognised by applying the effective interest rate to the net amortised cost (net of ECL provision) of the financial asset.

The EIR is the rate that discounts the estimated future cash flows through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset adjusted for upfront expenses and incomes attributable to the acquisition of the financial asset.

Interest on financial assets subsequently measured at fair value through profit or loss (FVTPL) is recognised at the contractual rate of interest.

Interest spread under par structure of direct assignment of loan receivables is recognised upfront. On derecognition of the loan receivables in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognised upfront in the Statement of Profit and Loss.

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Net gain on Fair value changes

Any differences between the fair values of financial assets classified as fair value through the profit or loss held by Group on the balance sheet date is recognised as an unrealised gain / loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under revenue from operations and if there is a net loss the same is disclosed under "Expenses" in the Statement of Profit and Loss.

Similarly, any realised gain or loss on sale of financial instruments measured at Fair value through profit and loss ("FVTPL") and debt instruments measured at Fair value through Other Comprehensive Income ("FVOCI") is recognised in net gain\loss on fair value changes.

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

Revenue from operations other than interest income

The Group recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers'.

(a) Fees and commission income

The Group recognises commission income on completion of distribution of third-party products

(b) Other operating income

The Group recognises recoveries against written off financial assets on realisation.

Any other operating income is recognised on completion of service.

Income from direct assignment and securitization

Interest Income on securitized loans are considered at par with own loans and is also recognised under the Effective Interest Rate method. In case of Direct Assignment, Group recognize the income upfront on the basis of fair value by discounting the entire interest strip (excess interest spread) of assigned portfolio.

vii Impairment of financial assets

Loan assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments, and are measured at amortised cost.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is calculated to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, the Group reverts to recognising impairment loss allowance based on 12-month ECL.

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

The measurement of ECL is calculated using three main components: (i) probability of default (PD) (ii) loss given default (LGD) and (iii) the exposure at default (EAD). The 12 month ECL is calculated by multiplying the 12 month PD, LGD and the EAD. The 12 month and lifetime PDs represent the PD occurring over the next 12 months and the remaining maturity of the instrument respectively. The EAD represents the expected balance at default, taking into account the repayment of principal and interest from the balance sheet date to the default event together with any expected drawdowns of committed facilities. The LGD represents expected losses on the EAD given the event of default, taking into account, among other attributes, the mitigating effect of collateral value at the time it is expected to be realised and the time value of money.

The Group applies a three-stage approach to measure ECL on financial assets accounted for at amortised cost and FVTOCI. Assets migrate through the following three stages based on the change in credit quality since initial recognition.

i) Stage 1: 12-months ECL - For exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months is recognised. Exposures with days past due (DPD) less than or equal to 30 days are classified as stage 1.

ii) Stage 2: Lifetime ECL – not credit impaired - For credit exposures where there has been a significant increase in credit risk since initial recognition but that are not credit impaired, a lifetime ECL is recognised. Exposures with DPD 31 days to 90 days are classified as stage 2. At each reporting date, the Group assesses whether there has been a significant increase in credit risk for financial asset since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition.

iii) Stage 3: Lifetime ECL – credit impaired - Financial asset is assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For financial asset that have become credit impaired, a lifetime ECL is recognised on principal outstanding as at period end. Exposures with DPD more than 90 days are classified as stage 3.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is recognised in OCI and carrying amount of the financial asset is not reduced in the balance sheet.

The Group does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

It has been the Group's policy to regularly review its ECL model in the context of actual loss experience and adjust when necessary. For details, refer note 42 (C).

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Other receivables

In respect of other receivables, the Group applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of trade receivables.

Write-offs :

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

viii **Financial instruments**

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

Viiia **Derivative financial instruments**

The Group enters into a derivative financial instruments to manage its exposure to foreign exchange rate risk arising on account of repayment of external commercial borrowings and debts. Derivatives held are cross currency swaps.

Initial Recognition and Subsequent Measurement

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain/loss is recognised in the Statement of profit and loss immediately unless the derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in the statement of profit and loss depends on the nature of the hedge relationship. The Group designates certain derivatives as either hedges of the fair value of recognised assets or liabilities (fair value hedges) or hedges of highly probable forecast transactions (cash flow hedges). A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability.

Hedge Accounting

The Group uses derivative instruments to manage its risk on exposures to interest rate and foreign currency. In order to manage particular risks, the Group applies hedge accounting for transactions that meet specified criteria. At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction and the nature of the risk being hedged. Hedge effectiveness is determined at the inception of the hedge relationship and at the end of each reporting period end through the assessment of the hedged items and hedging instrument to determine whether there is still an economic relationship between the two. The critical terms of the foreign currency derivatives entered into exactly match the terms of the hedged item. As such the economic relationship and hedge effectiveness are based on the qualitative factors and the use of a hypothetical derivative where appropriate.

Cash Flow Hedges

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on floating interest rate) or a highly probable forecast transaction that can affect profit or loss. 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 reserve within Other Equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately as Finance Cost in the Statement of Profit and Loss. When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time is transferred to the Statement of Profit and Loss.

Non derivative financial instruments

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

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Viiib Non-derivative financial assets

Subsequent measurement

i. Financial assets carried at amortised cost

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

ii. Investments in mutual funds and government securities etc.

Investments in such financial instruments are measured at fair value through profit and loss (FVTPL) except investment in subsidiary which is measured at cost.

De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de-recognised (i.e. removed from the Group's balance sheet) when:

• The rights to receive cash flows from the asset have expired, or

• The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement;

A transfer only qualifies for derecognition if either :

(a) the Group has transferred substantially all the risks and rewards of the asset, or

(b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. The Group continues to recognise the assets on finance on books which has been securitized under pass through arrangement and does not meet the de-recognition criteria.

On derecognition of a financial asset in its entirety, the difference between the carrying amount (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. Accordingly, gain or loss on sale or derecognition of assigned portfolio are recorded upfront in the Statement of Profit and Loss as per Ind AS 109. Also, the Group recognises servicing income as a percentage of interest spread over tenure of loan in cases where it retains the obligation to service the transferred financial asset. As per the guidelines of RBI, the Group is required to retain certain portion of the loan assigned to parties in its books as Minimum Retention Requirement ('MRR'). Therefore, it continues to recognise the portion retained by it as MRR.

Non-derivative financial liabilities

Subsequent measurement

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

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

Offsetting of financial instruments

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

i) The normal course of business

ii) The event of default

iii) The event of insolvency or bankruptcy of the Group and/or its counterparties

ix Foreign currency

The Group enters to foreign currency transactions during the course of business predominantly relating to borrowing (availement/repayment of borrowing) and payment of fee/charges towards services/products such as license costs, maintenance charges etc.

i) All transactions in foreign currency are recognised at the exchange rate prevailing on the date of the transaction.

ii) Foreign currency monetary items are reported using the exchange rate prevailing at the close of the period.

iii) Exchange differences arising on the settlement of monetary items or on the restatement of Group's monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, are recognised as income or as expenses in the period in which they arise.

x Property, plant and equipment

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for its intended use, attributable to the assets.

Subsequent Cost

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Depreciation

i. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, at the annual depreciation rates and in the manner stipulated in Schedule II to the Companies Act, 2013 or based on the depreciation rates as per the estimated useful life of the assets determined by the management, whichever is higher as follows.

Assets Category	Useful Life (in years)
Computer Equipment	3
Computer Servers	6
Furniture & Fixtures	10
Office Equipment's	5
Electrical Equipment	5
Leasehold improvements are depreciated over the lease period.	

ii. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives.

iii. Property, plant and equipment costing up to INR 5,000 (amount in full) individually are fully depreciated in the year of purchase.

iv. Leasehold improvements are amortised over the lease period.

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

Derecognition of assets

An item of property plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the income statement when the asset is derecognised.

Intangible assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets. The cost of intangible assets acquired in a business combination stated at fair value on the date of acquisition.

Amortisation of Intangible Assets

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Assets Category	Useful Life (in years)
Software	5
Branch Network	3
Brand Valuation	3

Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, are recognized in statement of profit or loss as incurred.

Derecognition of assets

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

Capital work-in-progress

Capital work-in-progress are carried at cost less impairment loss, if any, comprising direct cost and related incidental expenses to acquire property, plant and equipment. Assets which are not ready to intended use are also shown under capital work-in-progress.

Intangible assets under development

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

xi Income taxes

Income tax expense comprises current tax expenses and net change in the deferred tax assets or liabilities during the year. Current and deferred taxes are recognised in the Statement of Profit and Loss, except when they relate to item that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current tax

Current tax comprises amount of tax payable in respect to the taxable income or loss for the year determined in accordance with Income Tax Act,1961 and any adjustment to tax payable or receivable in respect of prior years. Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts and is intended to realise the asset and settle the liability on a net basis or simultaneously. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group reflects the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year 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.

Deferred tax relating to items recognised outside the statement profit or loss is recognised outside the statement profit or loss (either in other comprehensive income or in equity).

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

xii Employee Benefits

ESOP

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. Further details are given in Note 49 that cost is recognised, together with a corresponding increase in Employee stock option plan reserves in equity, over the period in which the service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Holding Company best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. No expense is recognised for awards that do not ultimately vest because of service conditions have not been met. When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

Short-term employee benefits:

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as a related service provided. A liability is recognised for the amount expected to be paid under short term cash bonus or profit sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Contribution to provident fund and other funds :

In accordance with Indian Law, eligible employees receive benefits from Provident Fund , Employee State Insurance Contribution (ESIC) and Labour welfare fund which is defined contribution plan. In case of Provident fund, both the employee and employer make monthly contributions to the plan, which is administrated by the Government authorities, each equal to the specific percentage of employee's basic salary. The Group has no further obligation under the plan beyond its monthly contributions. Obligation for contributions to the plan is recognised as an employee benefit expense in the Statement of Profit and Loss when incurred.

Gratuity:

Gratuity is a post employment benefit and is in the nature of a defined benefit plan. The liability recognised in the balance sheet in respect of gratuity is the present value of the defined benefit / obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefits / obligations are calculated at the balance sheet date by an independent actuary using the projected unit credit method.

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Actuarial gains and losses arising on the measurement of defined benefit obligation is charged/ credited to other comprehensive income.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment, and the date that the Group recognises related restructuring costs.

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

xiii **Borrowing costs:**
Borrowing cost of financial liabilities is recognised using the Effective Interest Rate (EIR) method.

xiv **Impairment of non-financial assets**
At each reporting date, the Group assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. Recoverable amount is higher of an asset's net selling price and its value in use. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the reporting date, there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

xv **Cash and cash equivalents**
Cash and cash equivalents comprise cash on hand (including imprest), demand deposits and short-term highly liquid investments that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the cash management

xvi **Provisions, Contingent liabilities and Contingent assets:**
Provisions are recognised only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

Possible obligations which will be confirmed only by future events not wholly within the control of the Group or

Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

xvii **Earnings per share**
The basic earnings per equity share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period.
Diluted EPS is calculated by dividing the net profit for the year attributable to equity holders of Group (after adjusting for interest on the convertible preference shares and interest on the convertible bond, in each case, net of tax) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

xviii **Leases**

As a lessee
The Group applies a single recognition and measurement approach for all leases, except for short-term leases. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i. Right of use assets
The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The right-of-use assets are also subject to impairment.

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ii. Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Group's lease liabilities are included in other financial liabilities.

iii. Short-term leases

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of laptops, lease-lines and office furniture and equipment that are considered to be low value. Lease payments on short-term leases assets are recognised as expense on a straight-line basis over the lease term.

As a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

5 Critical accounting estimates and judgements

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods

i. Fair value of financial instruments

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes.
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 another valuation technique.
Fair value measurements under Ind-AS are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:
- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at measurement date
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs) that the Group can access at measurement date Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 41.2

ii. Expected credit loss

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and credit assessment and including forward looking information. The inputs used and process followed by the Group in determining the ECL have been detailed in Note 42(C).

iii. Effective interest rate

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected behavioural life of the financial asset to the gross carrying amount of the financial asset. This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges) as well expected changes to the base rate and other transaction costs and fees paid or received that are integral parts of the instrument.

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iv. **Business model assessment**

Classification and measurement of financial assets depends on the results of the business model test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

v. **Useful life and expected residual value of assets**

Depreciation and amortisation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

vi. **Leases**

- the determination of lease term for some lease contracts in which the Group is a lessee, including whether the Group is reasonably certain to exercise lessee options.
- the determination of the incremental borrowing rate used to measure lease liabilities.

vii. **Deferred Tax**

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences become deductible. The Group considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realisable, however, could be reduced

viii. **Defined benefit plans**

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

ix. **Provisions and contingencies**

The Group operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in statutory litigation in the ordinary course of the Group's business. Given the subjectivity and uncertainty of determining the probability and amount of losses, the Group takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

6 **Recent accounting pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

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7 (a) Cash and cash equivalents

Particulars	As at 31 March 2025	As at 31 March 2024
Cash on hand	62	5
Balances with banks		
- In current accounts	52,384	69,480
- Deposit with original maturity of less than three months (Refer note below)	-	62,615
Investment in reverse repo		
- Investment in reverse repo	14,508	4,999
	66,954	**1,37,099**

Note: Short-term deposits are placed for varying periods between one day to three months, depending on the immediate cash requirements of the Group.

(b) Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2025	As at 31 March 2024
In fixed deposit accounts with original maturity of less than 12 months	919	426
In fixed deposit accounts with original maturity of more than 12 months	16,205	15,249
	17,124	**15,675**

Note: Represent deposits placed as cash collateral in connection with term loans amounting to Rs. 912 lakhs (original maturity less than 12 months) and Rs. 13,961 lakhs (original maturity more than 12 months)

8 Derivative financial instruments

Particulars	As at 31 March 2025			For the year ended 31 March 2025	
Cross currency swap	**Notional amount**	**Fair value assets**	**Fair value liabilities**	**Hedging (gains) or losses recognised in other comprehensive income**	**Hedge ineffectiveness recognised in statement of profit and loss**
- Cross currency swap					
USD	16,118	540	-	(56)	-
	16,118	**540**	**-**	**(56)**	**-**

Particulars	As at 31 March 2024			For the year ended 31 March 2024	
Cross currency swap	**Notional amount**	**Fair value assets**	**Fair value liabilities**	**Hedging (gains) or losses recognised in other comprehensive income**	**Hedge ineffectiveness recognised in statement of profit and loss**
- Cross currency swap					
USD	-	-	-	-	-
	-	-	-	-	-

The Holding Company has policy for entering into derivative transactions. Derivatives comprises of cross currency swap entered by the Holding Company to hedge foreign currency borrowings.

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9 Receivables

Particulars	As at 31 March 2025	As at 31 March 2024
Trade receivables		
Trade receivables - considered good - secured	-	-
Trade receivables - considered good - unsecured	467	320
	467	**320**
Other receivables		
Other receivables - considered good - unsecured	108	213
Unsecured and considered having significant increase in credit risk	-	-
Allowance for other receivables having significant increase in credit risk	-	-
	108	**213**
	575	**533**

Trade receivables ageing schedule as at 31 March 2025

	Outstanding from due date of payment						
Particulars	**Not due**	**Less than 6 Months**	**6 months to 1 year**	**1-2 years**	**2-3 Years**	**More than 3 years**	**Total**
Trade Receivables							
Undisputed trade receivables - considered good	140	292	-	35	-	1	467

There are no balances unbilled for year ended 31 March 2025

Trade receivables ageing schedule as at 31 March 2024

	Outstanding from due date of payment						
Particulars	**Not due**	**Less than 6 Months**	**6 months to 1 year**	**1-2 years**	**2-3 Years**	**More than 3 years**	**Total**
Trade Receivables							
Undisputed trade receivables - considered good	-	320	-	-	-	-	320

There are no balances not due or unbilled for year ended 31 March 2024

Note: No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

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10 Loans

Particulars	As at 31 March 2025	As at 31 March 2024
(A) Loans at amortised cost		
i) Secured by Tangible Assets		
(i) Secured - Mortgage housing loans	1	120
(ii) Secured - Small Business Loans	-	5
(iii) Secured - Livestock Loan	-	24
(B) Loans at fair value through OCI		
(i) Unsecured - Joint liability loans	-	56,236
(C) Unsecured Loan		
(i) Term loans (Joint liability group and individual loans)	12,75,707	11,59,605
(ii) Loans to employees	171	194
Total - Gross	**12,75,879**	**12,16,184**
Less: Impairment loss allowance	66,080	61,820
Less: Impairment loss allowance through OCI	-	1,139
Total - Net	**12,09,799**	**11,53,225**
(D) Secured/unsecured		
(i) Secured by tangible assets and intangible assets	1	149
(ii) Unsecured	12,75,878	12,16,035
Total - Gross	**12,75,879**	**12,16,184**
Less: Impairment loss allowance	66,080	62,959
Total - Net	**12,09,799**	**11,53,225**
(E) Loans in India		
(i) Public Sector	-	-
(ii) Others	12,75,879	12,16,184
Total - Gross	**12,75,879**	**12,16,184**
Less: Impairment loss allowance	66,080	62,959
Total - Net	**12,09,799**	**11,53,225**
(F) Loans outside India		
(i) Loan outside India	-	-

During the year, based on internal business model assessment in accordance with requirement of Ind AS 109, the subsidiary has reclassified loans at fair value through other comprehensive income to amortised cost. Accordingly Rs. 149 lakhs has been transferred from other comprehensive income to the loan portfolio as per the Ind AS 109.

11 Investments

Particulars	As at 31 March 2025	As at 31 March 2024
Investment carried at fair value through profit and loss		
Investment in Treasury Bill	500	942
Investment in Commercial Paper	4,998	-
Investment in Government Securities	-	5,618
Total	**5,498**	**6,560**
Out of Above		
(i) Investments in India	5,498	6,560
(Ii) Investments outside India	-	-
Total	**5,498**	**6,560**

During the previous year ended 31 March 2024, the Holding Company acquired 100% equity stake in Chaitanya India Fin Credit Private Limited ("Chaitanya"), a Non-Banking Financial Company – Micro Finance Institution (NBFC-MFI) registered with the Reserve Bank of India. The acquisition involved purchase of 15,76,66,666 equity shares of face value INR 10 each, pursuant to which Chaitanya became a wholly-owned subsidiary of the Holding Company with effect from 23 November 2023.
The Holding Company further infused capital in Chaitanya by way of subcribing to the rights issue and subscribed to 2,20,73,333 equity shares of INR 10 each face value at a premium of INR 70.15 per share, aggregating to a total investment of INR 17,691.77 lakhs. The equity shares were allotted to the Holding Company on 16 December 2024.

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12 Other financial assets

Particulars	As at 31 March 2025	As at 31 March 2024
At amortised cost : Unsecured, considered good		
EIS receivable on assignment and co-lending	14,164	16,651
Less: Impairment loss allowance	(503)	-
	13,661	16,651
Security deposits	3,152	574
Receivable from insurance company	2,123	982
Advance payment against borrowing	2	-
Other receivable	1,227	653
Unsecured, considered doubtful		
Receivables - unsecured, considered doubtful	509	426
Provision for doubtful advances	(509)	(426)
	20,165	**18,860**

Reconciliation of impairment loss allowance on receivable from insurance company

Particulars	As at 31 March 2025	As at 31 March 2024
Impairment loss allowance as at beginning of the year	426	66
Net increase/(decrease) during the year	83	360
Impairment loss allowance as at the end of the year	509	426

13 Deferred tax assets (net)

Particulars	As at 31 March 2025	As at 31 March 2024
Deferred tax assets		
On account of:		
Impairment of financials instruments	16,097	16,488
Expenses allowable on payment basis	1,241	916
Temporary differences of written down value of intangible assets and property, plant and equipment	287	267
Transaction costs on loans	2,800	1,659
Lease liabilities	239	533
Other	20	9
Total deferred tax assets	**20,684**	**19,872**
Deferred Tax liabilities		
On account of:		
Transaction costs on borrowings and debt securities	860	1,481
Measurement gain on direct assignment	3,438	4,191
Fair value change of loans through other comprehensive income	-	37
Right to use of assets	186	512
Other	7	179
Total deferred tax Liabilities	**4,491**	**6,400**
Net Deferred tax assets / (liabilities)	**16,193**	**13,472**

(Refer note 37.2 for movement of deferred tax assets/liabilities)

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14 Property, plant and equipment

Particulars	Furniture & fixtures	Computers	Office equipment's	Vehicles	Electrical equipment	Leasehold Improvements	Total
Gross block (at cost)							
As at 1 April 2023	**669**	**1,780**	**827**	**-**	**-**	**111**	**3,387**
Additions pursuant to business combination	1,106	1,805	289	1	252	-	3,453
Additions	211	526	492	-	21	5	1,255
Disposals	3	43	70	-	0	-	116
As at 31 March 2024	**1,983**	**4,068**	**1,538**	**1**	**273**	**116**	**7,979**
Additions	340	746	677	-	99	155	2,019
Disposals	2	145	106	-	7	0	260
As at 31 March 2025	**2,321**	**4,669**	**2,110**	**1**	**365**	**271**	**9,738**
Accumulated depreciation							
As at 1 April 2023	**482**	**1,111**	**458**	**-**	**-**	**92**	**2,143**
Additions pursuant to business combination	383	940	108	1	76	-	**1,508**
Charge for the year	171	363	377	0	7	6	924
Deduction for the year	3	40	61	-	0	-	104
As at 31 March 2024	**1,033**	**2,374**	**882**	**1**	**83**	**98**	**4,471**
Charge for the year	193	753	487	0	27	22	1,482
Deduction for the year	2	138	90	-	6	-	237
As at 31 March 2025	**1,223**	**2,989**	**1,278**	**1**	**104**	**120**	**5,715**
Net Block							
As at 31 March 2024	**950**	**1,694**	**656**	**0**	**190**	**18**	**3,508**
As at 31 March 2025	**1,098**	**1,681**	**832**	**0**	**261**	**151**	**4,023**

15 Right of use Asset

Particulars	Premises	Cars	Total
As at 1 April 2023	**1,332**	**-**	**1,332**
Additions pursuant to business combination	727	-	727
Additions	635	88	723
Deletions	-	-	-
As at 31 March 2024	**2,694**	**88**	**2,782**
Additions	104	-	104
Deletions	-	-	-
As at 31 March 2025	**2,798**	**88**	**2,886**
Accumulated amortisation			
As at 1 April 2023	**497**	**-**	**497**
Additions pursuant to business combination	34		34
Charge for the year	264	15	279
Deduction for the year	-	-	-
As at 31 March 2024	**795**	**15**	**810**
Charge for the year	502	23	525
Deduction for the year	-	-	-
As at 31 March 2025	**1,297**	**37**	**1,334**
Net block			
As at 31 March 2024	**1,899**	**73**	**1,972**
As at 31 March 2025	**1,501**	**51**	**1,552**

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16 Other intangible assets

Particulars	Computer Software	Branch Network	Brand Valuation	Trade Mark	Amount
Gross Block (at cost)					
As at 1 April 2023	560	-	-	-	**560**
Additions pursuant to business combination	443	3370	770	-	4,583
Additions	262	-	-	100	362
Disposals	-	-	-	-	-
As at 31 March 2024	**1,265**	**3,370**	**770**	**100**	**5,505**
Additions	445	-	-	-	445
Disposals	-	-	-	-	-
As at 31 March 2025	**1,710**	**3,370**	**770**	**100**	**5,950**
Accumulated amortization					
As at 1 April 2023	**440**	-	-	-	**440**
Additions pursuant to business combination	208	-	-	-	208
Charge for the year	116	-	-	12	128
Deduction for the year	-	-	-	-	-
As at 31 March 2024	**764**	-	-	**12**	**776**
Charge for the year	255	1,499	342	33	2,129
Deduction for the year	-	-	-	-	-
As at 31 March 2025	**1,019**	**1,499**	**342**	**45**	**2,905**
Net Block					
As at 31 March 2024	**501**	**3,370**	**770**	**88**	**4,729**
As at 31 March 2025	**691**	**1,871**	**428**	**55**	**3,045**

17 Intangible assets under development

Particulars	As at 31 March 2025	As at 31 March 2024
Opening Balance	-	-
Additions (net)	1,571	
Deletions	-	-
Closing Balance	**1,571**	-

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18 Other non-financial assets

Particulars	As at 31 March 2025	As at 31 March 2024
Unsecured, considered good		
Prepaid expenses	4,363	3,357
Other advances	1,156	1,134
Advance to staff	39	53
Income tax paid under dispute	-	26
	5,558	**4,570**

19 Payables

Particulars	As at 31 March 2025	As at 31 March 2024
(I) Trade payables		
(i) Total outstanding dues of micro enterprises and small enterprises	331	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	2,439	1,091
(II) Other payables		
(i) Total outstanding dues of micro enterprises and small enterprises	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	675	1,431
	3,445	**2,522**

Trade payables ageing schedule for the year ended as on 31 March 2025

Particulars	Not due	Unbilled	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	132	195	4	-	-	-	**331**
(ii) Others	260	978	1,196	3	1	1	**2,439**
(iii) Disputed dues – MSME	-		-	-	-	-	-
(iv)Disputed dues – Others	-		-	-	-	-	-

Trade payables ageing schedule for the year ended as on 31 March 2024

Particulars	Not due	Unbilled	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-	-
(ii) Others	1,091	-	-	-	-	-	**1,091**
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv)Disputed dues – Others	-	-	-	-	-	-	-

There are no unbilled for year ended 31 March 2024

The Group has NIL outstanding dues and interest payable for micro, small and medium enterprises- refer Note 47.

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20 Debt Securities

Particulars	As at 31 March 2025	As at 31 March 2024
At amortised cost		
Redeemable non-convertible debentures		
Secured*	1,659	7,491
Unsecured	24,356	29,566
Total (A)	**26,015**	**37,057**
Debt securities in India	26,015	37,057
Debt securities outside India		-
Total (B)	**26,015**	**37,057**

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

21 Borrowings (Other than Debt securities)

Particulars	As at 31 March 2025	As at 31 March 2024
At amortised cost		
Term loans		
Secured		
(i) from banks	8,08,067	8,45,835
(ii) from others	95,878	1,73,869
Liability against Securitised Assets	13,009	-
Total (A)	**9,16,954**	**10,19,704**
Borrowings in India	9,00,769	10,02,400
Borrowings outside India	16,185	17,304
Total (B)	**9,16,954**	**10,19,704**

1) Secured against the book debt of the Group.

2) Term loan from bank amounting to Rs. 7,833.33 lakhs has been guaranteed by Asian Development Bank to the extend 50% of the loan.

3) None of the borrowings are guaranteed by directors or others.

22 Subordinated liabilities

Particulars	As at 31 March 2025	As at 31 March 2025
At amortised cost		
Unsecured		
Debentures	60,208	61,295
Total (A)	**60,208**	**61,295**
Subordinated liabilities in India	60,208	61,295
Subordinated liabilities outside India	-	-
Total (B)	**60,208**	**61,295**

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Borrowings (Other than Debt securities and subordinated liabilities) as at 31 March 2025

Type of instrument/institution	Frequency of repayment	Original maturity of loan	Interest rate	Due within 1 year		Due within 1 to 2 years		Due within 2 to 3 years		Due within 3 to 4 years		Total
				No of Instalments	Amount	No of Instalments	Amount	No of Instalments	Amount	No of Instalments	Amount	
Term loans from bank	Monthly	Upto 2 Year	7.50% to 8.99%	165	66,236	51	15,246	-	-	-	-	81,482
			9.00% to 9.50%	494	1,21,410	234	57,860	-	-	-	-	1,79,270
			9.51% to 10.00%	168	39,924	14	3,333	-	-	-	-	43,257
			10.01% to 10.50%	91	25,262	-	-	-	-	-	-	25,262
			10.51% to 11.00%	23	4,859	2	400	-	-	-	-	5,259
			11.01% to 11.50%	2	417	-	-	-	-	-	-	417
		2 year to 3 Year	7.50% to 8.99%	39	5,161	36	4,000	6	667			9,828
			9.00% to 9.50%	330	1,05,165	207	78,462	27	10,904	-	-	1,94,531
			9.51% to 10.00%	232	31,985	99	9,432	5	550	-	-	41,967
			10.01% to 10.50%	88	17,333	25	7,628			-	-	24,961
	Quarterly	Upto 2 Year	9.00% to 9.50%	11	6,875	5	3,125	1	625	-	-	10,625
			10.01% to 10.50%	7	5,313	-	-	-	-	-	-	5,313
			10.51% to 11.00%	7	1,120	-	-	-	-	-	-	1,120
			11.01% to 11.50%	4	453	-	-	-	-	-	-	453
		2 year to 3 Year	9.00% to 9.50%	51	40,543	40.00	38,696.62	19	13,142	-	-	92,381
			9.51% to 10.00%	9	11,500	4.00	5,996.37	-	-	-	-	17,496
			10.01% to 10.50%	14	13,345	-	-	-	-	-	-	13,345
			10.51% to 11.00%	2	208	-	-	-	-	-	-	208
			11.01% to 11.50%	3	1,661	-	-	-	-	-	-	1,661
		3 and above	9.00% to 9.50%	4	357	4	357	-	-	-	-	714
	Half-Yearly	Upto 2 Year	9.00% to 9.50%	25	20,680	13	16080	-	-	-	-	36,760
			9.51% to 10.00%	2	2500	-	-	-	-	-	-	2,500
Term loan from non-banking financial companies	Monthly	Upto 2 Year	9.00% to 9.50%	26	6,366	4	910	-	-	-	-	7,276
			9.51% to 10.00%	17	2,714	10	1,538	-	-	-	-	4,252
	Quarterly	Upto 2 Year	10.01% to 10.50%	8	3,828	-	-	-	-	-	-	3,828
		3 and above	10.01% to 10.50%	5	1,885	1	468	-	-	-	-	2,353
Term loan from DFI	Monthly	2 year to 3 Year	7.50% to 8.99%	11	6,088	-	-	-	-	-	-	6,088
			9.51% to 10.00%	65	24,825	43	19,452	-	-	-	-	44,277
			10.01% to 10.50%	20	6,036	-	-	-	-	-	-	6,036
			10.51% to 11.00%	11	6,706	-	-	-	-	-	-	6,706
	Quarterly	2 year to 3 Year	10.01% to 10.50%	4	2,000	-	-	-	-	-	-	2,000
		3 and above	9.51% to 10.00%	9	2,179	3	900	-	-	-	-	3,079
	Bullet	Upto 2 Years	7.50% to 8.99%	1	67	1	15,000	-	-	-	-	15,067
External commercial borrowings	Half-Yearly	3 and above	12.01% to 12.50%	3	4,077	2	3,521	2	3,521	-	-	11,119
	Bullet	2 year to 3 Year	10.01% to 10.50%	2	2,639	-	-	-	-	-	-	2,639
			10.51% to 11.00%	2	2,608	-	-	-	-	-	-	2,608
PTC - Banks	Monthly	Upto 2 Years	7.50% to 8.99%	26	12,398	2	619	-	-	-	-	13,017
Total debt Securities												9,19,155
Adjustments												(2,201)
Total												9,16,954

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Borrowings (Other than Debt securities and subordinated liabilities) as at 31 March 2024

Type of instrument/institution	Frequency of repayment	Original maturity of loan	Interest rate	Due within 1 year		Due within 1 to 2 years		Due within 2 to 3 years		Due within 3 to 4 years		Total
				No of Instalments	Amount	No of Instalments	Amount	No of Instalments	Amount	No of Instalments	Amount	
Term loans from bank	Monthly	Upto 2 Year	9.00% to 9.50%	193	68,176	123	50,463	-	-	-	-	1,18,639
			9.51% to 10.00%	282	80,467	113	32,597	-	-	-	-	1,13,064
			10.01% to 10.50%	224	55,745	49	14,181	-	-	-	-	69,926
			10.51% to 11.00%	107	26,056	42	10,121	-	-	-	-	36,177
			11.01% to 11.50%	15	2,837	-	-	-	-	-	-	2,837
		2 year to 3 Year	5.00% to 8.99%	34	5,637	6	1,807	-	-	-	-	7,444
			9.00% to 9.50%	159	33,258	88	24,858	20	7,921	-	-	66,036
			9.51% to 10.00%	392	62,215	212	32,474	75	6,072	-	-	1,00,761
			10.01% to 10.50%	151	25,568	56	10,737	19.00	1,027.78	-	-	37,333
			10.51% to 11.00%	60	24,673	11.00	1,000.00			-	-	25,673
			11.01% to 11.50%	13	5,002	-	-	-	-	-	-	5,002
		3 year to 5 Year	9.51% to 10.00%	33	9,587	21	10,949	7	6,933	-	-	27,469
			10.01% to 10.50%	23	664	1	51			-	-	715
	Quarterly	Upto 2 Year	9.00% to 9.50%	4	2,500	4	2,500	-	-	-	-	5,000
			9.51% to 10.00%	14	8,752	11	7,813	-	-	-	-	16,565
			10.01% to 10.50%	5	9,003	-	-	-	-	-	-	9,003
			10.51% to 11.00%	37	11,498	1	138	-	-	-	-	11,636
			11.01% to 11.50%	3	1,125	-	-	-	-	-	-	1,125
		2 year to 3 Year	9.00% to 9.50%	5	13,909	8	20,545	8	20,545	-	-	55,000
			9.51% to 10.00%	35	22,982	20	16,636	-	-	-	-	39,618
			10.01% to 10.50%	20	12,176	2	2,222	-	-	-	-	14,399
			10.51% to 11.00%	33	32,885	1	208	-	-	-	-	33,093
			11.01% to 11.50%	4	3,000	-	-	-	-	-	-	3,000

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Type of instrument/institution	Frequency of repayment	Original maturity of loan	Interest rate	Due within 1 year		Due within 1 to 2 years		Due within 2 to 3 years		Due within 3 to 4 years		Total
				No of Instalments	Amount	No of Instalments	Amount	No of Instalments	Amount	No of Instalments	Amount	
		3 year to 5 Year	10.01% to 10.50%	6	3,753	2	1,660	-	-	-	-	5,413
			10.51% to 11.00%	5	2,501	-	-	-	-	-	-	2,501
		More than 5 Year	9.00% to 9.50%	4	357	4	357	4	357	-	-	1,071
	Bullet	Upto 2 Years	10.51% to 11.00%	1	4000	-	-	-	-	-	-	4,000
Term loan from non-banking financial companies	Monthly	Upto 2 Year	9.51% to 10.00%	13	4,031	3	1,000	-	-	-	-	5,031
			10.01% to 10.50%	31	7,026	-	-	-	-	-	-	7,026
			10.51% to 11.00%	11	2,200	-	-	-	-	-	-	2,200
		2 year to 3 Year	9.51% to 10.00%	2	231	-	-	-	-	-	-	231
			10.01% to 10.50%	4	261	-	-	-	-	-	-	261
			10.51% to 11.00%	6	1,138	-	-	-	-	-	-	1,138
		3 and above	9.51% to 10.00%	13	1,562	12	1,689	10	1,538	-	-	4,789
	Quarterly	Upto 2 Year	9.51% to 10.00%	15	6,285	4	2,875	-	-	-	-	9,160
		2 year to 3 Year	9.51% to 10.00%	5	3,768	1	938	-	-	-	-	4,706
		3 year to 5 Year	10.01% to 10.50%	5	1,892	4	1,875	1	469	-	-	4,236
Term loan from DFI	Monthly	2 year to 3 Year	9.51% to 10.00%	54	19,144	60	24,568	43	19,478	-	-	63,190
			10.01% to 10.50%	39	16,168	28	12,667	-	-	-	-	28,835
			5.00% to 8.99%	51	17,604	10	6,062	-	-	-	-	23,666
			11.51% to 12.00%	12	4,430	-	-	-	-	-	-	4,430
	Quarterly	2 year to 3 Year	9.00% to 9.50%	4	1,007	-	-	-	-	-	-	1,007
			10.01% to 10.50%	15	5,684	6	3,222	-	-	-	-	8,906
		More than 5 Year	9.51% to 10.00%	8	4,410	8	2,160	3	900	-	-	7,470
External commercial borrowings	Half-Yearly	3 year to 5 Year	12.01% to 12.50%	5	2,109	2	3,521	2	3,521	2	3,521	12,671
	Bullet	Upto 2 Years	5.00% to 8.99%	2	66	-	-	1	15000	-	-	15,066
		2 year to 3 Year	10.01% to 10.50%	1	75.83	1	2,447	-	-	-	-	2,522
			10.51% to 11.00%	1	44.32	1	2448	-	-	-	-	2492.32104
Total debt Securities												**10,21,533**
Adjustments												(1,829)
Total												**10,19,704**

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Debt Securities

Particulars	Terms of Debentures	Tenor	Date of redemption	Number of Debentures		Amount of Debentures	
				As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
Secured - Redeemable at par							
10.95% rated, listed, senior, secured, redeemable, taxable, transferable Non Convertible Debentures of face value of Rs.1,000,000 each,Redeemable at par.	Principal payment frequency : Quarterly Coupon payment frequency : Monthly	36 Months	29-09-2024	-	700	-	1,273
9.50% unsecured, subordinated, fully paid up,rated, unlisted, taxable, transferable, redeemable, non-convertible debentures of Rs.5000000 each.Redeemable at par.	Principal payment frequency : Quarterly Coupon payment frequency : Monthly	24 Months	20--12-2024	-	2,000	-	3,760
10.10% Rated, Listed, Senior, Secured, Redeemable, Transferable Non-Convertible Debentures of face value of Rs.1,00,000 each.Redeemable at par.	Principal payment frequency :Bullet Coupon payment frequency : Monthly	36 Months	10-Oct-26	2,500	2,500	1,675	2,514
11.92% Rated, Unlisted, Senior, Secured, Redeemable, Taxable, Transferable, non-convertible debentures of face value of Rs.7,50,000 each.Redeemable at par.	Principal payment frequency :Bullet Coupon payment frequency : Monthly	36 Months	30-Mar-25	-	500	-	3,750
Unsecured - Redeemable at par							
9.33% Senior Unsecured, Rated, Listed, Transferable, Redeemable, Non-Convertible Debentures of face value of Rs.1,00,000 each.Redeemable at par.	Principal payment frequency :Bullet Coupon payment frequency : Monthly	36 Months	30-Sep-26	10,000	10,000	10,041	10,016
9.33% Senior Unsecured, Rated, Listed, Transferable, Redeemable, Non-Convertible Debentures of face value of Rs.1,00,000 each.Redeemable at par.	Principal payment frequency :Quarterly Coupon payment frequency : Monthly	18 Months	17-Apr-25	2,500	2,500	833	2,505
9.33% Senior Unsecured, Rated, Listed, Transferable, Redeemable, Non-Convertible Debentures of face value of Rs.1,00,000 each.Redeemable at par.	Principal payment frequency : Monthly Coupon payment frequency : Monthly	24 Months	10-Nov-25	8,500	8,500	8,505	8,509
12.83% Senior Unsecured, Rated, Listed, Transferable, Redeemable, Non-Convertible Debentures of face value of Rs.1,000,000 each.Redeemable at par.	Principal payment frequency :Bullet Coupon payment frequency : Monthly	50 Months	28-Sep-26	500	500	5,158	5,160
Sub -total						**26,213**	**37,487**
Adjustments of unamortised processing fee based on EIR basis						(198)	(430)
Total						**26,015**	**37,057**

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Subordinated liabilities

Particulars	Terms of Debentures	Tenor	Date of redemption	Number of Debentures		Amount of Debentures	
				As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
Unsecured - Redeemable at par							
13.75% unsecured, subordinated, fully paid up,rated, unlisted, taxable, transferable, redeemable, non-convertible debentures of Rs.10 each.Redeemable at par.	Principal payment frequency : Bullet Coupon payment frequency : Quarterly	72 Months	31-Mar-26	1,50,00,000	1,50,00,000	1,500	1,500
12.90% rated, listed, unsecured, taxable, redeemable, subordinated, transferrable, Non Convertible Debentures of face value of Rs.1,000,000 each,Redeemable at par.	Principal payment frequency : Bullet Coupon payment frequency : Yearly	66 Months	30-Sep-26	600	600	6,002	6,002
11.77% unsecured, subordinated, fully paid up,rated, unlisted, taxable, transferable, redeemable, non-convertible debentures of Rs.1000000 each.Redeemable at par.	Principal payment frequency : Bullet Coupon payment frequency : Monthly	72 Months	30-Nov-27	1,250	1,250	12,500	12,635
11.77% unsecured, subordinated, fully paid up,rated, unlisted, taxable, transferable, redeemable, non-convertible debentures of Rs.1000000 each.Redeemable at par.	Principal payment frequency : Bullet Coupon payment frequency : Monthly	72 Months	05-Jan-28	900	900	9,068	9,068
11.77% unsecured, subordinated, fully paid up,rated, unlisted, taxable, transferable, redeemable, non-convertible debentures of Rs.1000000 each.Redeemable at par.	Principal payment frequency : Bullet Coupon payment frequency : Half Yearly	66 Months	23-Jul-27	750	750	7,636	7,500
11.90% unsecured, subordinated, fully paid up,rated, unlisted, taxable, transferable, redeemable, non-convertible debentures of Rs.1000000 each.Redeemable at par.	Principal payment frequency : Bullet Coupon payment frequency : Quarterly	72 Months	15-Jun-28	500	500	5,023	5,023
12.40% Subordinated, Rated, Unlisted, Unsecured, Redeemable, Taxable, Non-Convertible Debentures of face value of Rs.5,00,000 each.Redeemable at par.	Principal payment frequency :Bullet Coupon payment frequency : Monthly	66 Months	21-May-28	750	750	3,763	3,763
12.40% Subordinated, Rated, Unlisted, Unsecured, Redeemable, Taxable, Non-Convertible Debentures of face value of Rs.5,00,000 each.Redeemable at par.	Principal payment frequency :Bullet Coupon payment frequency : Monthly	66 Months	21-May-28	750	750	3,763	3,763
12.40% Subordinated, Rated, Listed, Unsecured, Redeemable, Taxable, Non-Convertible Debentures of face value of Rs.1,00,000 each,Redeemable at par.	Principal payment frequency :Bullet Coupon payment frequency : Monthly	68 Months	21-May-28	12,500	12,500	12,503	12,500
16.00% Subordinated, Rated, Unlisted, Unsecured, Redeemable, Taxable, Non-Convertible Debentures	Principal payment frequency :Bullet Coupon payment frequency : Monthly	66 Months	21-Aug-24	-	-	-	1,006
16.00% Subordinated, Rated, Unlisted, Unsecured, Redeemable, Taxable, Non-Convertible Debentures	Principal payment frequency :Bullet Coupon payment frequency : Monthly	50 Months	01-Sep-24	-	-	-	500

Total Debt securities	**61,758**	**63,260**
Adjustments of unamortised processing fee based on EIR basis	(1,550)	(1,965)
Total	**60,208**	**61,295**

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23 Other financial liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Employee benefits payable	3,703	2,252
Payable towards securitised and assigned portfolio	20,471	26,961
Other payables	163	63
	24,337	**29,276**

24 Provisions

Particulars	As at 31 March 2025	As at 31 March 2024
Provision for employee benefits		
Gratuity (refer note 43)	2,145	1,259
Leave encashment (unfunded) (refer note 43)	2,449	2,105
Other losses	11	-
	4,605	**3,364**

25 Other non-financial liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Statutory dues	1,226	972
Service obligation on assignment	-	997
Service obligation on Co Lending	-	378
Others	12	18
	1,238	**2,365**

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26 (a) Share Capital

(i) Details of authorised, issued, subscribed and paid up share capital

Particulars	As at 31 March 2025		As at 31 March 2024	
	Numbers of shares	Amount	Numbers of shares	Amount
Authorized:				
Equity shares of Rs. 10 each	4,75,50,00,000	4,75,500	4,75,50,00,000	4,75,500
Preference shares of Rs. 100 each	53,00,00,000	5,30,000	53,00,00,000	5,30,000
		10,05,500		**10,05,500**
Issued, subscribed and paid-up:				
Equity shares of Rs. 10 each fully paid up	62,68,86,580	62,689	25,20,46,875	25,205
5% Compulsorily Convertible Non-Cumulative Preference Shares Rs. 100 each fully paid up	-	-	17,55,00,000	1,75,500
		62,689		**2,00,705**

(ii) Rights, preferences and restrictions attached to equity shares

The Holding Company has equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive remaining assets of the Holding Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Details of shareholders holding more than 5% equity shares in the Holding Company on reporting date:

Name of the shareholder	As at 31 March 2025		As at 31 March 2024	
	Numbers of shares	Percentage of shareholding	Numbers of shares	Percentage of shareholding
Ms. Ananyashree Birla	20,78,46,874	33.16%	20,78,46,874	82.46%
Svatantra Holdings Private Limited	13,46,11,109	21.47%	4,00,00,000	15.87%
Violicina Limited	19,89,18,745	31.73%	-	-
Multiples Private Equity Fund III	4,29,65,974	6.85%	-	-
Total	**58,43,42,702**	**93.21%**	**24,78,46,874**	**98.33%**

Shares held by promoters at the end of the year:

	As at 31 March 2025		
Name of the promoters	**Numbers of shares**	**Percentage of shareholding**	**% Change during the year**
Ms. Ananyashree Birla	20,78,46,874	33.16%	-49.30%
Total	**20,78,46,874**	**33.16%**	**-49.30%**

	As at 31 March 2024		
Name of the promoters	**Numbers of shares**	**Percentage of shareholding**	**% Change during the year**
Ms. Ananyashree Birla	20,78,46,874	82.46%	0.00%
Total	**20,78,46,874**	**82.46%**	**0.00%**

The reconciliation of the number of equity shares outstanding:

Particulars	As at 31 March 2025	As at 31 March 2024
Shares at the beginning of the year	25,20,46,875	25,20,46,875
Add :Shares issued during the year	37,48,39,705	-
Shares at the end of the year	**62,68,86,580**	**25,20,46,875**

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(iii) Instruments entirely equity in nature

Particulars	As at 31 March 2025	As at 31 March 2024
Svatantra Holdings Private Limited	-	65,500
IGH Holdings Private Limited	-	1,10,000
5% Compulsorily Convertible Non-Cumulative Preference Shares	**-**	**1,75,500**

Right, preferences and restrictions attached to 5% Compulsorily Convertible Non-Cumulative Preference Shares

The Board of Directors in their meeting held on 31 October 2024 had allotted 12,13,39,707 equity shares of face value INR 10/- (Indian Rupees Ten only) each at a premium of INR 58.40/- per equity share by way of preferential issue on private placement basis at an aggregate consideration of INR 83,000 Lakhs and also allotted 14,07,13,584 equity shares on conversion of 9,74,17,098 5% Compulsorily Convertible Non-Cumulative Preference Shares (CCPS) of INR 100/- at a conversion ratio of 13:9 (9 CCPS of INR 100 each fully paid-up convertible into 13 Equity Shares of INR 10 each fully paid up).

Futher the Board of Directors in the meeting held on 9 January 2025 allotted 11,27,86,414 equity shares on conversion of 7,38,04,387 5% Compulsorily Convertible Non-Cumulative Preference Shares (CCPS) of INR 100/- at a conversion ratio of 13:9 (9 CCPS of INR 100 each fully paid-up convertible into 13 Equity Shares of INR 10 each fully paid up)

The Compulsorily Convertible Non-Cumulative Preference Shares (CCPS) shall carry a fixed rate of dividend of 5% (Five Percent) per annum on the capital paid up thereon calculated on a proportionate basis from the date of allotment and shall be non-cumulative. The CCPS shall be compulsorily convertible into equity shares of the Holding Company anytime at the option of the CCPS holder. If the CCPS holder does not exercise the option to convert the CCPS into equity shares before the expiry of 10 (Ten) years from the date of allotment of CCPS, then CCPS shall be convertible into equity shares of the Holding Company on the expiry of 10 (Ten) years from the date of allotment of CCPS. The conversion ratio is 9 CCPS of Rs. 100 each fully paid-up convertible into 13 Equity Shares of Rs. 10 each fully paid up . The Equity Shares to be allotted on conversion of the CCPS shall rank pari passu in all respects with the existing Equity Shares of the Holding Company and shall be subject to Memorandum and Articles of Association of the Holding Company.

(iv) Shares issued for consideration other than cash

The Holding Company has not issued / allotted any shares pursuant to contracts without payment being received in cash, nor issued any bonus shares nor there has been any buy back of shares during five years immediately preceding 31 March 2025.

(v) Shares reserved for issue under options

For details of shares reserved for issue under the Employee Stock Option Plan (ESOP) of the Holding Company (refer note 49)

(b) Other equity

Particulars	As at 31 March 2025	As at 31 March 2024
Securities premium	2,21,020	4
Statutory reserve in terms of section 45 - IC of the RBI Act	24,217	15,613
Impairment reserve	235	235
Retained earnings	63,664	41,474
Employee stock option plan reserve	339	240
Capital reserve	442	442
Other comprehensive Income		
Remeasurement of gain/(loss) on defined benefit plans	(443)	(226)
Effective portion of cash flow hedge	(42)	
	3,09,432	**57,782**





26.1 Particulars

Particulars	As at 31 March 2025	As at 31 March 2024
Securities premium		
Opening balance	4	4
Add: Current year transfer	2,21,016	-
Closing balance	**2,21,020**	**4**
Statutory reserve In terms of Section 45 - IC of the RBI Act		
Opening balance	15,613	11,093
Add: Current year transfer	8,604	4,520
Closing balance	**24,217**	**15,613**
Impairment reserve		
Opening balance	235	235
Add: Current year transfer	-	-
Closing balance	**235**	**235**
Retained earnings		
Opening balance	41,474	12,281
Add: Transferred from statement of profit and loss	41,884	32,252
Add: Fair value changes on assets and liabilities	-	1,461
Less: Dividend on CCPS	(11,088)	-
Less: Transfer to statutory reserves	(8,606)	(4,520)
Closing balance	**63,664**	**41,474**
Employee stock option plan reserve		
Opening balance	240	187
Add: Compensation for options granted	99	53
Closing balance	**339**	**240**
Capital reserve		
Opening balance	442	442
Add: Current year transfer	-	-
Closing balance	**442**	**442**
Other comprehensive income		
Remeasurement of gain/(loss) on defined benefit plans		
Opening balance	(225)	18
Add: Current year transfer	(218)	(244)
Closing balance	**(443)**	**(226)**
Effective portion of cash flow hedge		
Opening balance	-	-
Add: Current year transfer	(42)	
Closing balance	**(42)**	**-**

26.2 Securities premium is credited when shares are issued at premium. It can be used to issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs etc.

26.3 Statutory reserve represents the reserve created pursuant to the Reserve Bank of India Act, 1934 ("the RBI Act"). In terms of Section 45 - IC of the RBI Act, a Non-Banking Finance Company is required to transfer an amount not less than 20% of its net profit to a reserve fund before declaring any dividend. Appropriation from this reserve fund is permitted only for the purpose specified by the RBI.

26.4 Impairment Reserves as per RBI notification

As per DOR (NBFC).CC.PD.No.109/22.10.106/2019-20, where impairment allowance under Ind AS 109 is lower than the provisioning required under IRACP (including standard asset provisioning), NBFCs/ARCs shall appropriate the difference from their net profit or loss after tax to a separate 'Impairment Reserves'. The balance in the 'Impairment Reserves' shall not be reckoned for regulatory capital. Further, no withdrawals shall be permitted from this reserves without prior permission from the Department of Supervision, RBI.

26.5 Retained earnings

Retained earnings pertain to the accumulated earnings / losses made by the Group over the years.

26.6 Employee stock option plan reserve

The Holding Company has an employee stock option scheme under which the option to subscribe for the companies share have been granted to the key employees and directors. The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to the key employees as part of their remuneration. Refer to note 49 for further details of the scheme.

26.7 Capital reserve

Capital reserve represents gain on derecognition of compulsorily convertible non-cumulative preference shares on first time adoption of Ind AS.

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27 Interest income

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
On financial assets measured at amortised cost		
Interest on loans	2,84,000	1,95,051
Interest on deposits with banks	2,142	2,287
Interest on employee loans	25	22
On financial assets measured at fair value through profit or loss (FVTPL)		
Interest income on investments	1,716	803
Total	**2,87,883**	**1,98,163**

28 Fees and commission income

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Income from commission	983	1,263
Total	**983**	**1,263**

29 Net gain on fair value changes

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Net gain on financial instruments at fair value through profit or loss		
i) On trading investment portfolio		
- Investments in mutual funds	2,561	1,779
'- Investments in goverment Securities	214	9
ii) Others		
Gain/ (Loss) on fair valuation of other investments	3	12
	2,778	**1,800**
Total net gain on fair value changes		
Fair Value changes:		
-Realised	2,775	1,788
-Unrealised	3	12
Total	**2,778**	**1,800**

30 Other income

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Recovery against loans written off	2,891	612
Miscellaneous income	2,224	2,705
Total	**5,115**	**3,317**

Revenue from contracts with customers

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Type of services		
Fees and commission income	983	1,263
Geographical markets		
India	983	1,263
Outside India	-	-
Timing of revenue recognition		
Services transferred at a point in time	983	1,263
Services transferred over time		

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31 Finance costs

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
On financial liabilities measured at amortised costs		
Interest		
On borrowings (other than debt securities)	92,279	71,176
On debt securities	6,085	3,327
On subordinated liabilities	6,641	6,781
On lease liabilities	204	122
Other borrowing costs	1,150	936
Total	**1,06,359**	**82,342**

32 Impairment on financial instruments and written-off

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
On financial assets measured at amortised cost		
Loans		
Impairment on loan portfolio	3,120	7,915
Loan portfolio written-off	47,238	31,894
Others		
Other balance written-off	250	197
Impairment on other asset	828	(9)
On financial assets measured at FVTOCI		
Loans		
Impairment on loan portfolio	-	804
Total	**51,436**	**40,801**

33 Employee benefit expenses

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Salaries and Wages	57,842	30,719
Contribution to provident and other funds	5,178	2,556
Gratuity expense	836	433
Expenses on employee stock option plan	99	53
Staff welfare expenses	4,180	2,472
Total	**68,135**	**36,233**

34 Depreciation and amortisation expenses

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation of plant, property and equipment	1,482	923
Depreciation of right of use assets	526	221
Amortisation of intangible asset	2,129	116
Total	**4,137**	**1,260**

35 Other expenses

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Advertisement expenses	76	5
Rates and taxes	178	606
Rent	3,668	1,920
Communication expenses	1,481	731
Director's fees, allowances and expenses	36	7
Travelling and conveyance expenses	10,618	5,037
Training expenses	725	316
Recruitment expenses	25	7
Insurance expenses	100	1,048
Printing and stationery	1,065	716
Legal and professional fees	3,784	1,760
Website development expenses	35	16
Electricity and water expenses	834	402
Membership and subscription	85	89
Repairs and maintenance	175	91
Software Service and Maintenance	8,200	3,406
Other Administrative Expenses	968	252
Cash management charges (CMS)	1,523	2,147
Commission and brokerage	189	582
Expenses on Corporate social responsibility	782	250
Bank charges	19	16
Auditors' remuneration	185	67
Other expenditure	629	543
Total	**35,380**	**20,014**

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36 Contingent liabilities and capital commitments

(A) Contingent liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
i) In respect of Income tax demands where the subsidiary has filed an appeal with relevant authority*	200	203
ii) Notice under Section 154 of the Income Tax Act for Assessment Year 2020–21	15	-
Total	**215**	**203**

Tax Matter - Direct Tax: The Holding Company has received the notice under Section 154 of the Income Tax Act for Assessment Year 2020–21, citing a discrepancy related to the non-disallowance of the provision for standard assets amounting to INR 46 lakhs. According to the notice, this has resulted in a contingent tax liability of INR 15 lakhs. there are no other litigation outstanding as at 31 March 2025.
*Future cash outflows in respect of (i) above are determinable only on receipt of judgements /decisions pending with various forums/authorities. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the subsidiary's financial position and results of operations.

(B) Commitments not provided for

Particulars	As at 31 March 2025	As at 31 March 2024
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	54	45
Total	**54**	**45**

37 Tax expense

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Current tax expense		
Current tax for the year	16,120	12,383
Earlier year tax	(90)	209
Total	**16,030**	**12,592**
Deferred taxes liabilities / (assets)		
Relating to origination and reversal of temporary differences	(2,685)	(2,342)
Net deferred tax expense	**(2,685)**	**(2,342)**
Total income tax expense	**13,345**	**10,250**

37.1 Tax reconciliation

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Profit before income tax expense	55,228	42,502
Statutory income tax rate	25.168%	25.168%
Tax at statutory income tax rate	13,900	10,697
Tax effect of amounts which are not deductible / not taxable in calculating taxable income		
Tax impact on expenses which is non deductible	401	307
Tax impact on additional deduction	(884)	(793)
Others	(72)	39
Income tax expense	**13,345**	**10,250**
Effective tax rate	**24.2%**	**24.1%**

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37.2 Deferred tax movement related to the following:

1 April 2024 to 31 March 2025

Particulars	Balance as at 1 April 2024	(Charge)/ Credit in Profit & Loss	Recognised in OCI	Recognised in Other Equity	Balance as at 31 March 2025
Deferred tax asset on account of:					
Impairment of financials instruments	15,209	(391)	-	-	14,818
Expenses allowable on payment basis	703	289	36	-	1,028
Temporary differences of written down value of intangible assets and property, plant and equipment	267	20	-	-	287
Transaction costs on loans	2,693	1,140	-	-	3,833
Lease liabilities	188	(293)	-	-	(105)
Others	250	13	-	-	263
	19,310	**778**	**36**	**-**	**20,124**
Deferred tax liability on account of:					
Transaction cost on borrowings and debt securities	1,481	(621)	-	-	860
Measurement gain on direct assignment	4,191	(753)	-	-	3,438
Fair value change of loans through other comprehensive income	-	(37)			(37)
Right to use of assets	160	(326)			(166)
Other	6	(170)	-	-	(164)
	5,838	**(1,907)**	**-**	**-**	**3,931**
	13,472	**2,685**	**36**	**-**	**16,193**

1 April 2023 to 31 March 2024

Particulars	Balance as at 1 April 2023	(Charge)/ Credit in Profit & Loss	Recognised in OCI	Recognised in Other Equity	Balance as at 31 March 2024
Deferred tax asset on account of:					
Impairment of financials instruments	12,341	2,868	-	-	15,209
Expenses allowable on payment basis	721	(78)	61	-	703
Temporary differences of written down value of intangible assets and property, plant and equipment	232	35	-	-	267
Transaction costs on loans	2,405	288	-		2,693
Lease liabilities	210	(22)	-	-	188
Others	202	48	-	-	250
	16,111	**3,139**	**61**	**-**	**19,310**
Deferred tax liability on account of:					
Transaction cost on borrowings and debt securities	1,567	(86)	-	-	1,481
Measurement gain on direct assignment	3,282	909	-	-	4,191
Modification (restructuring) gain on financial assets	12	(12)	-	-	0
Impact of right to assets	174	(14)			160
Prepaid Expenses	7	(1)	-	-	6
	5,042	**796**	**-**	**-**	**5,838**
	11,069	**2,342**	**61**	**-**	**13,472**

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38 Earnings per share

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Net profit attributable to equity shareholders	41,883	32,252
Weighted average number of equity shares outstanding for the purpose of basic earning per share	55,57,44,946	40,56,98,666
Effects of potential equity shares on Employee Stock Options outstanding	24,75,697	25,71,990
Weighted average number of equity shares in computing diluted earnings per share	55,82,20,643	40,82,70,656
Earnings per share		
Basic earning per share (₹)	7.54	7.95
Diluted earning per share (₹)	7.51	5.55
Nominal value per share (₹)	10	10

Weighted average number of equity shares outstanding includes non cumulative compulsorily convertible preference shares.

39 Related party disclosures

Related party disclosures as required under Indian Accounting standard 24, " Related party disclosure" are given below.

39.1 List of related parties

Nature of relationship	Name of related party
Key Managerial Personnel (KMP)	Kumar Mangalam Birla (Director)
	Neerja Birla (Director)
	Ananyashree Birla (Director)
	Shankar Girija Natarajan (Independent Director)
	Meena Jagtiani (Independent Director)
	Vineet Bijendra Chattree (Director)
	Renuka Ramnath (Director) (appointed w.e.f. 31 October 2024)
	Shweta Jalan (Director) (appointed w.e.f. 31 October 2024)
	Gagan Lalit Mohan Joshi (Director) (appointed w.e.f. 31 October 2024)
	Vrushali Mahajan (Chief Financial Officer)
	Surinder Kumar Bhatia (Company Secretary)
	Anujeet Varadkar (Chief Executive Officer) (resigned w.e.f. 23 May 2024)
Entities with singnificant influence over the Holding company	Svatantra Holdings Private Limited
	Violicina Limited (w.e.f. 31 October 2024)
	IGH Holdings Private Limited (upto 30 October 2024)
(Parties on which KMP's of the Holding Company are able to exercise control)	Svatantra Microfin Employee Gratuity Fund
	Svatantra Online Services Private Limited
	Svatantra Micro Housing Finance Corporation Limited
	Aditya Birla Education Trust
	Ananya Birla Foundation

39.2 Transactions during the year with related parties :

Nature of transactions	Transactions with	For the year ended 31 March 2025	For the year ended 31 March 2024
Investment in Equity share capital	IGH Holdings Private Limited	-	1,10,000
CSR expenses	Ananya Birla Foundation	285	40
Service Fee Income	Svatantra Micro Housing Finance Corporation Limited	7	-
Other Expenses	Svatantra Online Services Private Limited	-	4
Director's Sitting Fees	Independent Directors	36	7
Remuneration			
Key Managerial Personnel (KMP) Compensation:			
(a) short-term employee benefits		228	265
(b) post-employment benefits		-	-
(c) other long-term benefits		-	-
(d) termination benefits		-	-
(e) share-based payment			

Terms and conditions:

1. All transactions with these related parties are priced on an arm's length basis and at normal commercial terms

2. During the previous year, the Holding Company had issued Compulsorily Convertible Preference Shares (CCPS) to IGH Holdings Private Limited. These CCPS were converted into equity shares during the current year. Refer Note 26(iii) for further details.

3. CSR expenses incurred towards ongoing project entered into with Ananya Birla Foundation refer note 51 (g) for further details.

4.The Holding Company maintains gratuity trust for the purpose of administering the gratuity payment to its employees (Svatantra Microfin Employee Gratuity Fund).

5. Employee benefits in relation to gratuity are calculated at the Holding Company level and hence not considered in above disclosure.

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39.3 **Closing balances :**

Transactions with	As at 31 March 2025	As at 31 March 2024
Svatantra Holdings Private Limited	-	65,500
IGH Holdings Private Limited (Compulsorily Convertible Non-Cumulative Preference Shares)	-	1,10,000

40 Capital management risk

The Group's objective for capital management is to maximize shareholders' value, safeguard business continuity, meet the regulatory requirement and support the growth of the Group. The Group determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through borrowings, retained earnings and operating cash flows generated.

As an NBFC-MFI, the RBI requires us to maintain a minimum capital to risk weighted assets ratio (""CRAR"") consisting of Tier I and Tier II capital of 15% of our aggregate risk weighted assets. Further, the total of our Tier II capital cannot exceed 100% of our Tier I capital at any point of time. The capital management process of the Group ensures to maintain a healthy CRAR at all the times.

The Group has a board approved policy on resource planning which states that the resource planning of the Group shall be based on its Asset Liability Management (ALM) requirement. The policy of the Group on resource planning will also cover the objectives of the regulatory requirement. The policy prescribes the sources of funds, threshold for mix from various sources, tenure, manner of raising the funds etc.

Regulatory capital

Svatantra Microfin Private Limited

Particulars	As at 31 March 2025	As at 31 March 2024
Tier I Capital	1,72,060	95,378
Tier II Capital	23,863	32,117
Tier I + Tier II Capital	**1,95,923**	**1,27,495**
Risk weighted assets	6,61,747	6,87,821
Tier I CRAR	26.00%	13.87%
Tier II CRAR	3.61%	4.67%
Total CRAR	**29.61%**	**18.54%**

Chaitanya India Fin Credit Private Limited

Particulars	As at 31 March 2025	As at 31 March 2024
Tier I Capital	1,35,705	94,894
Tier II Capital	18,196	22,596
Tier I + Tier II Capital	**1,53,901**	**1,17,490**
Risk weighted assets	6,53,505	5,27,665
Tier I CRAR	20.77%	17.98%
Tier II CRAR	2.78%	4.28%
Total CRAR	**23.55%**	**22.27%**

Loan covenants

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets the financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breach in meeting these financial covenants would permit the bank to immediately call loans and borrowings. The Group has complied with the covenants under the term of the borrowing facilities throughout the reporting period.

41 Fair value measurement

41.1 Financial instruments by category

Particulars	Category	As at 31 March 2025	As at 31 March 2024
Financial assets:			
Cash and cash equivalents			
- Cash and bank balances	Amortized cost	52,446	1,32,100
- Investment in reverse repo	FVTPL	14,508	4,999
Bank balances other than cash and cash equivalents	Amortized cost	17,124	15,675
Derivative financial instruments	FVOCI	540	-
Trade receivables	Amortized cost	467	320
Other receivables	Amortized cost	108	213
Loans	Amortized cost	12,09,799	10,98,128
Loans	FVOCI	-	55,097
Investments	FVTPL	5,498	6,560
Other financial assets	Amortized cost	20,165	18,860
Total financial assets		**13,20,655**	**13,31,952**
Financial liabilities:			
Trade and other payables	Amortized cost	3,445	2,522
Debt securities	Amortized cost	26,015	37,057
Borrowings (other than debt securities)	Amortized cost	9,16,954	10,19,704
Subordinated liabilities	Amortized cost	60,208	61,295
Lease liabilities	Amortized cost	1,720	2,025
Other financial liabilities (excluding lease liabilities)	Amortized cost	24,337	29,276
Total financial liabilities		**10,32,679**	**11,51,879**

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41.2 Fair value hierarchy

Financial assets and financial liabilities are measured at fair value in the financial statements and are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

The categories used are as follows:
Level 1: Quoted prices (unadjusted) for identical instruments in an active market;
Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and
Level 3: Inputs which are not based on observable market data (unobservable inputs).
Financial assets and liabilities measured at fair value - recurring fair value measurements

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

As at 31 March 2025	Level-1	Level-2	Level-3	Total
Financial assets measured at fair value				
Investments in T-Bills	-	-	500	**500**
Investments in Reverse Repo	-	-	14,508	**14,508**
Investments in Commercial Paper	-	-	4,997	**4,997**
Derivative financial instruments	-	540	-	**540**

As at 31 March 2024	Level-1	Level-2	Level-3	Total
Financial assets measured at fair value				
Investments in Govt. Securities	5,618	-	-	**5,618**
Investments in T-Bills	942	-	-	**942**
Investments in Reverse Repo	4,999	-	-	**4,999**
Loans	-	-	55,097	**55,097**

41.3 Financial assets and liabilities measured at amortized cost at each reporting date

The carrying value of cash and cash equivalents, other bank balances, trade receivable and other receivable, other financial assets, trade payables and other payables and other financial liabilities are considered to be approximately equal to the fair value due to their short term maturities.

Particulars	Level	As at 31 March 2025		As at 31 March 2024	
		Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets measured at amortized cost					
Cash and cash equivalents	1	52,446	52,446	1,32,100	1,32,100
Bank balances other than cash and cash	1	17,124	17,124	15,675	15,675
Trade receivables	3	467	467	320	320
Other receivables	3	108	108	213	213
Loans	3	12,09,799	12,09,799	10,98,128	10,98,128
Other financial assets	3	20,165	20,165	18,860	18,860
Total financial assets		**13,00,109**	**13,00,109**	**12,65,295**	**12,65,296**
Financial liabilities measured at amortized cost					
Trade payables	3	3,445	3,445	2,522	2,522
Debt securities	3	26,015	26,573	37,057	37,791
Borrowings (other than debt securities)	3	9,16,954	9,17,772	10,19,704	10,17,946
Subordinated liabilities	3	60,208	60,060	61,295	61,140
Lease liabilities	3	1,720	1,720	2,025	2,025
Other financial liabilities	3	24,337	24,337	29,276	29,276
Total financial liabilities		**10,32,679**	**10,33,907**	**11,51,879**	**11,50,700**

i) Loans - The Group considers that the fair value of loans approximate their carrying amount.

ii) Borrowings - All the borrowing taken are at floating rate except few which are on fixed rate of interest and hence, its fair value are deemed to be equivalent to the carrying value adjusted with un-amortize transaction cost. Fair value of fixed loans are determined by discounting expected future contractual cash flows using current market interest rates charged for similar new loans.

iii) Debt securities and Subordinated liabilities - The fair value of debt securities are determined by discounting expected future contractual cash flows using current market interest rates charged for similar new loans.

During the years mentioned above, there have been no transfers amongst the levels of hierarchy.

41.4 Transfer of financial assets

(i) Assignment Transaction:

The Group has sold some loans and advances measured at amortised cost as per assignment deals, as a source of finance. As per the terms of deal and since the derecognition criteria as per Ind AS 109, including transaction of substantially all the risks and rewards relating to assets being transferred to the buyer being met, the assets have been derecognised.

The management has evaluated the impact of the assignment transactions done during the year for its business model. Based on the future business plan, the Group's business model remains to hold the assets for collecting contractual cash flows.

The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain/(loss) on derecognised assets :-

Particulars	As at 31 March 2025	As at 31 March 2024
Carrying amount of derecognised financial assets	2,33,503	2,05,625
Gain/(loss) for the year	23,916	18,609

Since the Group transferred the above financial asset in a way that qualified for derecognition in its entirety, therefore the whole of the interest spread (over the expected life of the asset) is recognised on the date of derecognition itself as interest only strip receivable and correspondingly recognised as profit on derecognition of financial asset.

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42 Financial Risk Management

The Group is exposed to certain financial risks namely credit risk, liquidity risk and market risk i.e. interest rate risk, foreign currency risk and price risk. The Group's primary focus is to achieve better predictability of financial markets and minimize potential adverse effects on its financial performance by effectively managing the risks on its financial assets and liabilities.

The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Risk Management Committee is responsible for developing and monitoring the Group's risk management policies. The Committee holds regular meetings and report to board on its activities. The Group's risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities, are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. The Group has a Board approved Risk Management framework and has also performed internal capital adequacy assessment process (ICAAP). Robust Risk Management strategy is in place to manage Key risks such as Strategic, Compliance, Credit, Liquidity, Operational Risks and reporting risks.

The Group 's risk management framework is driven by its Board and its sub-committees including the Audit Committee, the Asset Liability Management Committee and the Risk Management Committee. The Group gives due importance to prudent lending practices and have implemented suitable measures for risk mitigation, which include verification of credit history from credit information bureaus, personal verification of a customer's business and residence and major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The Audit committee oversees how management monitors compliances with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit committee

A Liquidity risk

The liquidity risk that an entity will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. For the Group, liquidity risk arises from obligations on account of financial liabilities – debt securities, borrowing, trade payables and other financial liabilities. The Group manages liquidity risk by maintaining adequate cash reserves by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The tables below summarizes the maturity profile of the undiscounted cash flows of the Group's financial liabilities:

As at 31 March 2025

Particulars	Within 1 year	1 - 5 years	5 - 10 years	Beyond 10 years	Total
Trade and other payables	3,445	-	-	-	3,445
Debt securities	10,330	15,685	-	-	26,015
Borrowings	5,93,666	3,23,289	-	-	9,16,954
Subordinated liabilities	1,720	58,488	-	-	60,208
Other financial liabilities	24,337	-	-	-	24,337
Lease liabilities	1,365	355	-	-	1,720
Total	**6,34,863**	**3,97,817**	**-**	**-**	**10,32,679**

As at 31 March 2024 0

Particulars	Within 1 year	1 - 5 years	5 - 10 years	Beyond 10 years	Total
Trade and other payables	2,522	-	-	-	2,522
Debt securities	11,440	25,617	-	-	37,057
Borrowings (other than debt securities)	6,29,105	3,90,599	-	-	10,19,704
Subordinated liabilities	1,775	59,520	-	-	61,295
Other financial liabilities	29,276	-	-	-	29,276
Lease liabilities	1,502	522	-	-	2,025
Total	**6,75,620**	**4,76,258**	**-**	**-**	**11,51,879**

B Market risk

(i) Foreign currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk arise majorly on account of foreign currency borrowings. The Group manages its foreign currency risk by entering in to cross currency swaps and forward contract.

Particulars	As at 31 March 2025	As at 31 March 2024
	USD	
Liability – External Commercial Borrowings	1,88,57,142	-
Assets – Cross Currency Swap Contract	1,88,57,142	-

Hedging policy

The Group's Hedging Policy only allows for effective hedging relationships to be considered as hedges as per the relevant Ind AS. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Group enters into hedge relationship where the critical terms of the hedging instrument match with the terms of the hedged item, and so a qualitative and qualitative assessment of effectiveness is performed.

In respect of Interest rate swaps, there is an economic relationship between the hedged item and the hedging instrument as the terms of the Interest Rate swap contract match that of the foreign currency borrowing (notional amount, interest repayment date etc.). The Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the interest rate swap are identical to the hedged risk components.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading cash flow hedging reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in the statement of profit and loss, and is included in the '(Gain) / Loss in Fair Value of Derivatives' line item.

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Impact of hedge on the balance sheet

Particulars	Year	Notional amount	Carrying amount of hedging instrument assets	Carrying amount of hedging instrument Liability
USD (cross currency swap)	March 31, 2025	16,118	540	-
USD (cross currency swap)	March 31, 2024	-	-	-

(ii) Interest rate risk

The Group is subject to interest rate risk, since the rates of borrowing might fluctuate over the tenure of instrument. Interest rates are highly sensitive to many factors beyond control, including the monetary policies of the Reserve Bank of India, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. In order to manage interest rate risk, the Group seek to optimize borrowing profile between short-term and long-term loans. The liabilities are categorized into various time buckets based on their maturities and Asset Liability Management Committee supervise an interest rate sensitivity report periodically for assessment of interest rate risks. The Group's exposure to changes in interest rates relates to the Group's outstanding floating rate liabilities.

Details of interest bearing financial liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Borrowings, debt securities and subordinated liabilities		
Floating rate	8,10,234	8,79,531
Fixed rate	1,92,943	2,38,524
Total borrowings	**10,03,177**	**11,18,055**

Sensitivity analysis

The following table demonstrates the sensitivity to a reasonably possible change in variable interest rates (all other variables being constant) of the Group's Statement of profit and loss:

Interest rate sensitivity*	Impact on profit before tax	
	For the year ended 31 March 2025	For the year ended 31 March 2024
Borrowings		
Increase by 50 basis points	(4,051)	(4,398)
Decrease by 50 basis points	4,051	4,398

** Holding all other variables as constant*

(iii) Price risk

Exposure

The Group's exposure to price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit and loss. To manage the price risk arising from investments, the Group diversifies its portfolio of assets.

The table below summarises the impact of increases/decreases of the index on the Group's equity and profit for the period :

Particulars	Effect on Statement of Profit and Loss for year ended 31 March 2025	Effect on Statement of Profit and Loss for year ended 31 March 2024
Net asset value - 1% increase	130	116
Net asset value - 1% decrease	(130)	(116)

C Credit risk

Credit risk is the risk that the Group will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Group's exposure to credit risk is influenced mainly by cash and cash equivalents, other bank balances, investments, loan assets and other financial assets. The Group continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

Credit risk management

Credit quality of assets

Credit risk is the single largest risk for the Group's business. Management therefore carefully manages its exposure to credit risk. A centralized risk management function oversees the risk management framework, which periodically presents an overview of credit risk of portfolio to the Risk Management Committee.

Credit-worthiness is checked and documented prior to signing any contracts, based on market information. Management endeavours to improve its underwriting standards to reduce the credit risk the Group is exposed to from time to time.

Expected Credit loss (ECL):

Credit Quality of Loans assets:

The following table sets out information about credit quality of loans measured at amortized cost based on days past due information. The amount represents gross carrying amount.

Particulars	31 March 2025	31 March 2024
Gross carrying value		
Stage 1	12,28,842	11,85,825
Stage 2	18,371	6,222
Stage 3	28,666	24,137
Total Gross carrying value as at reporting date	**12,75,879**	**12,16,185**

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Management of credit risk for financial assets

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated deposits from banks and financial institutions across the country.

Other financial assets measured at amortized cost

Other financial assets measured at amortized cost includes loans and advances to employees, security deposits, insurance claim receivables and other recoverable. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

Loans

The Group is a rural focused NBFC-MFI with a geographically diversified presence in India and offer income generation loans under the joint liability group model, predominantly to women from low-income households in Rural Areas. Further, as we focus on providing micro-loans in Rural Areas, our results of operations are affected by the performance and the future growth potential of microfinance in rural India. Our clients typically have limited sources of income, savings and credit histories and our loans are typically provided free of collateral. Such clients generally do not have a high level of financial resilience, and, as a result, they can be adversely affected by declining economic conditions and natural calamities. In addition, we rely on non-traditional guarantee mechanisms rather than tangible assets as collateral, which may not be effective in recovering the value of our loans.

In order to mitigate the impact of credit risk in the future profitability, the Group creates impairment loss allowance basis the expected credit loss (ECL) model for the outstanding loans as at balance sheet date

Inputs considered in the ECL model

Definition of default

A default on a financial asset is when the counterparty fails to make the contractual payments within 90 days of when they fall due. Accordingly, the financial assets shall be classified as Stage 3, if on the reporting date, it has been 90 days past due. Non-payment on another obligation of the same customer is also considered as a stage III.

Exposure at default (EAD)

The EAD represents expected outstanding exposure subject to credit risk at the period/date, when default is considered. The Group does cash flow mapping based on contractual maturity for loans in Stage II, using the exposure at default in future years and the probability of default estimation based on macro variables. For stage I and stage III, as an approximation balance sheet outstanding is used.

Loss given default (LGD)

It is defined as the percentage risk of exposure that is not expected to be recovered in the event of default. Based on an analysis of historical data, the Group has estimated the loss given default, using historical recovery experience and recovery cost. This is referred to as the workout method. Such recoveries are discounted using interest rate of the loans. While calculating LGD percentage, 100% recoveries are estimated for the cases where the recoveries are absolutely certain to happen within a short period of time.

Probability of Default (PD)

"Probability of default" (PD) is defined as the probability of whether the borrowers will default on their obligations in the future. For assets which are in Stage 1, a 12-month PD is required. For Stage 2 asset's a lifetime PD is required while Stage 3 assets are considered to have a 100% PD. Historical DPD data is utilized to calculate through the cycle PD. PD analysis tracks the migration behaviour of a static pool of loans active at the end of each year across different buckets- Current-30 DPD, 31-90 DPD and 90+ DPD for the 12 month and lifetime period.

Discounting

As per Ind AS 109, ECL is computed by estimating the timing of the expected credit shortfalls associated with the defaults and discounting them using effective interest rate

Forward looking information

Forward looking information is incorporated in the measurement of probability of default and consequently in measurement of ECL. Based on the consideration of a variety of external actual and forecast information, the Group forms a 'base case' view of the future direction of GDP growth rate as well as a representative range of other possible forecast scenarios. This process involves developing two or more additional economic scenarios and considering the relative probabilities of each outcome. The base case represents a most likely outcome while the other scenarios represent more optimistic and more pessimistic outcomes. Further, management overlays are applied in determining forward looking scenarios. It is considered by evaluating all relevant internal and reasonably available external data.

Significant increase in credit risk

An assessment of whether credit risk has increased significantly since initial recognition is performed at each reporting period by considering the change in the risk of default occurring over the remaining life of the loan exposure. However, unless identified at an earlier stage, the Group have determined all assets are deemed to have suffered a significant increase in credit risk when 30 days past due.

Policy for write off of Loan Assets

The gross carrying amount of a financial asset is written off when there is no realistic prospect of further recovery. This is generally the case when the Group determines that the trade receivable does not have sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Any recoveries made are recognized in Statement of Profit or Loss.





Credit Risk exposure

i) Expected credit losses for financial assets other than loans

As at 31 March 2025	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	52,446	-	52,446
Investment in reverse repo	14,508	-	14,508
Bank balances other than cash and cash equivalents	17,124	-	17,124
Trade receivables	467	-	467
Other receivables	108	-	108
Other financial assets	20,674	1,012	19,662

ii) Expected credit losses for financial assets other than loans

As at 31 March 2024	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	1,37,099	-	1,37,099
Bank balances other than cash and cash equivalents	15,675	-	15,675
Trade receivables	320	-	320
Other receivables	213	-	213
Other financial assets	19,285	426	18,860

iii) Expected credit loss for loans

Changes in the gross carrying amount and the corresponding ECL allowances in relation to loans from beginning to end of reporting period:

Particulars	Stage 1	Stage 2	Stage 3
Gross carrying amount as at March 31 2023	**10,14,115**	**6,820**	**34,664**
Assets originated (net of repayments and collections)	9,43,022	-	-
Net transfer between stages			
Transfer from stage 1	(29,209)	11,425	17,784
Transfer from stage 2	76	(9,172)	9,096
Transfer from stage 3	38	4	(42)
Assets derecognized or collected (excluding write offs)	(7,42,217)	(2,855)	(4,910)
Write-Off	-	-	(32,455)
Gross carrying amount as at March 31 2024	**11,85,825**	**6,222**	**24,137**
Assets originated (net of repayments and collections)	9,60,372	-	-
Net transfer between stages			
Transfer from stage 1	(69,556)	40,214	29,342
Transfer from stage 2	24	(26,459)	26,435
Transfer from stage 3	22	4	(26)
Assets derecognized or collected (excluding write offs)	(8,47,845)	(1,610)	(3,984)
Write-Off	-	-	(47,238)
Gross carrying amount as at March 31 2025	**12,28,842**	**18,371**	**28,666**

Reconciliation of loss allowance provision from beginning to end of reporting period:

Particulars	Stage 1	Stage 2	Stage 3
Loss allowance as on March 31 2023	**24,197**	**4,280**	**22,324**
Net transfer between stages			
Transfer from stage 1	(724)	289	435
Transfer from stage 2	57	(6,825)	6,769
Transfer from stage 3	28	3	(32)
Provision created or derecognized (excluding write offs)	13,510	6,666	24,437
Write-Off	-	-	(32,455)
Loss allowance as on March 31 2024	**37,068**	**4,413**	**21,478**
Net transfer between stages			
Transfer from stage 1	(1,520)	970	550
Transfer from stage 2	15	(16,611)	16,595
Transfer from stage 3	18	3	(20)
Assets derecognized or collected (excluding write offs)	(3,041)	21,326	32,074
Write-Off	-	-	(47,238)
Loss allowance as on March 31 2025	**32,540**	**10,101**	**23,439**

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Concentration of loans

Concentration by type of loan	As at 31 March 2025	As at 31 March 2024
Loans to body corporate - loans repayable on demand	-	-
Mortgage housing loans	1	120
Small Business Loans	-	5
Livestock Loan	-	24
Term loans (JLG and Individual loans)	12,75,707	12,15,841
Employee loans	171	194
Gross carrying Amount	**12,75,879**	**12,16,184**

43 Retirement benefit plans

The Group has the following defined benefits plans:
Gratuity (funded)

As per Ind AS-19 'Employee Benefits', the disclosure of Employee benefits as defined in the Standard are given below:

In accordance with Indian Accounting Standard 19, actuarial valuation was done in respect of the aforesaid defined benefit plan of gratuity based on the following assumptions:

43.1

Particulars	As at 31 March 2025	As at 31 March 2024
Actuarial assumptions		
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14
Discount rate (per annum)	6.5% - 6.8%	7.15% - 7.23%
Rate of salary increase	7.00%	7.00%
Attrition/Withdrawal rate per annum	23% - 27%	23% - 27%

43.2

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Changes in the present value of defined benefit obligation		
Present value of obligation at the beginning of the year	2,029	809
Present value of obligation addition pertaining to business combination		782
Interest expense	142	69
Current service cost	750	409
Past service cost	-	-
Benefit paid	(301)	(99)
Actuarial (gains) / losses on obligations - due to change in demographic assumptions	-	-
Actuarial (gains) / losses on obligations - due to change in financial assumptions	84	23
Actuarial (gains) / losses on obligations - due to experience	59	36
Present value of obligation at the end of the year	**2,763**	**2,029**

43.3

Particulars	As at 31 March 2025	As at 31 March 2024
Assets and liabilities recognized in the balance sheet		
Present value of the defined benefit obligation at the end of the year	2,763	2,029
Fair value of plan assets at the end of the year	618	770
Net liability / (asset) recognized in the balance sheet	**2,145**	**1,259**

43.4

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Changes in the fair value of plan assets		
Fair value of plan assets as at the beginning	770	634
Investment income	55	46
Benefit paid	(301)	(80)
Return on plan assets , excluding amount recognised in net interest expense	-	(5)
Employer's Contribution	95	175
Fair value of plan assets as at the year end	618	770

43.5

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Expenses recognized in the statement of profit and loss		
Current service cost	750	409
Net interest cost	86	24
Net gratuity cost recognized in the current year	**836**	**433**

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43.6

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Expenses recognized in the statement of other comprehensive income (OCI)		
Actuarial (gains) / losses :		
Change in demographic assumptions	-	-
Change in financial assumptions	84	23
Experience variance	59	36
Return on plan assets, excluding amount recognised in net interest expense	-	5
Total remeasurement cost for the year recognized in OCI	**143**	**64**

43.7

Particulars	As at 31 March 2025	As at 31 March 2024
Maturity analysis of projected benefit obligation		
1 year	428	349
Sum of years 2 to 5	1,221	955
Sum of years 6 to 10	635	486
Sum of years 11 and above	990	662

43.8

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Catogary of plan assets		
Funds managed by Trust	100%	100%

43.9 Defined contribution plan

The Group contributes towards provident fund for employees which is the defined contribution plan for qualifying employees. Under this Scheme, the Group is required to contribute specified percentage of the payroll cost to fund the benefits. The Group has recognized Rs. 4,102 lakhs and Rs. 2,894 lakhs towards provident fund contributions in the Statement of Profit and Loss for the year ended 31 March 2025 and 31 March 2024, respectively.

44 Compensated Leaves

The principal demographic assumptions used in the valuation are shown in the table below:

Particulars	As at 31 March 2025	As at 31 March 2024
Actuarial assumptions		
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14
Normal retirement age	60 years	60 years
Attrition / Withdrawal rate (per annum)	27.00%	27.00%
Rate of Leave Availment (per annum)	0.00%	0.00%
Rate of Leave Encashment during employment (per annum)	0.00%	0.00%

Expenses Recognized in Income Statement

Particulars	As at 31 March 2025	As at 31 March 2024
Present value of obligation as at the beginning	2,105	989
Present value of obligation addition pertaining to business combination	-	614
Present value of obligation as at the end	2,449	2,105
Benefit Payment	1,141	359
Actual return on plan assets		
Transfer In / (Out)		
Expenses Recognized in Income Statement	1,485	861

45 Leases

Group as lessee

The Group's leased assets primarily consist of leases for head office & branch premises. The term of property leases ranges from 1-10 years.

(i) Set out below are the carrying amounts of right-of-use assets recognized and the movements during the period:

Particulars	Total
As at 31 March 2023	**835**
Additions pursuant to business combination	693
Additions	723
Deletions	-
Depreciation expenses for the year	279
As at 31 March 2024	**1,972**
Additions	104
Deletions	-
Depreciation expenses for the year	525
As at 31 March 2025	**1,552**

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

Particulars	Total
As at 31 March 2023	**1,636**
Additions	609
Accretion of interest	143
Payment	363
As at 31 March 2024	**2,025**
Additions	104
Accretion of interest	204
Payment	614
As at 31 March 2025	**1,720**

The maturity analysis of lease liabilities are disclosed in Note 50.

(iii) The following are the amounts recognized in profit or loss:

Particulars	As at 31 March 2025	As at 31 March 2024
Depreciation expense of right-of-use assets	525	279
Interest expense on lease liabilities	204	143
Expense relating to short-term leases (included in other expenses)	3,668	1,920
Expense relating to leases of low-value assets (included in other expenses)	-	-
Variable lease payments (if any, included in other expenses)	-	-

The Group had total cash outflows for leases of Rs 4,282 lakhs in FY 2024-25 (2,283 lakhs in FY 2023-24).

46 Segment information

46.1 Business segment

The Parent Company and its subsidiary is engaged primarily in the business of financing and accordingly there are no separate reportble segment as per Ind AS 108 'Operating Segments'.

46.2 Entity wide disclosures

No revenue from transactions with a single external customer or counterparty amounted to 10% or more of the Group's total revenue in year ended 31 March 2025 and 31 March 2024

The Group operates in single geography i.e. India and therefore, geographical information is not required to be disclosed separately.

47 Following disclosures as required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 has been made to the extent information available with the Group :

Particulars	As at 31 March 2025	As at 31 March 2024
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	331	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprise Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(iv) 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 Micro, Small and Medium Enterprise Development Act, 2006.	-	-
(v) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006	-	-

48 The Group has reclassified / regrouped the following pervious years figures to confirm the current years classification:

1. Interest accrued on borrowings amounting to Rs. 3,554 lakh, which was presented under Other Financial Liabilities, has now been classified under Debt Securities, Borrowings other than Debt Securities, and Subordinated Liabilities, as applicable.
2. Receivables from insurance companies amounting to Rs. 982 lakh, which were disclosed under Receivables, have now been presented under Other Financial Assets.
3. Advances to employees relating to petty cash expenses amounting to Rs. 92 lakh, earlier included under Cash and Cash Equivalents, have now been reclassified under Other Non-Financial Assets.
4. Investment in security receipts (net of impairment) amounting to Nil, which was shown under Investments, has now been presented under Loans.

The management believes that these reclassifications do not have a material impact on the information presented in the balance sheet as at the beginning of the preceding period, i.e., 1 April 2023. Accordingly, a third balance sheet has not been presented in these financial statements.

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49 Share based payments

A Employee stock option plan (ESOP)

The Holding Company has provided various equity settled share based payment schemes to its employees. On 10 October 2017 and 20 June 2022, the members of the Holding Company vide special resolution approved the Employee Stock Option Plan ('ESOP') scheme namely ESOP 2017 and ESOP Scheme 2022 respectively. The details are ESOP scheme as at 31 March 2025 are as follows. :-

Particulars	Grant	Phase	Number of Options granted	Vesting Period (In years)	Vesting Conditions
ESOP Scheme 2017	Grant-I	Phase-I	1,44,625	1 year from grant date	Continuous service
	Grant-I	Phase-II		2 year from grant date	Continuous service
	Grant-I	Phase-III		3 year from grant date	Continuous service
	Grant-II	Phase-I	3,24,481	1 year from grant date	Continuous service
	Grant-II	Phase-II		2 year from grant date	Continuous service
	Grant-II	Phase-III		3 year from grant date	Continuous service
	Grant-III	Phase-I	4,64,382	1 year from grant date	Continuous service
	Grant-III	Phase-II		2 year from grant date	Continuous service
	Grant-III	Phase-III		3 year from grant date	Continuous service
	Grant-IV	Phase-I	7,07,938	1 year from grant date	Continuous service
	Grant-IV	Phase-II		2 year from grant date	Continuous service
	Grant-IV	Phase-III		3 year from grant date	Continuous service
ESOP Scheme 2022	Grant-V	Phase-I	7,07,088	1 year from grant date	Continuous service
	Grant-V	Phase-II		2 year from grant date	Continuous service
	Grant-V	Phase-III		3 year from grant date	Continuous service
	Grant-VI	Phase-I	1,27,183	1 year from grant date	Continuous service
	Grant-VI	Phase-II		2 year from grant date	Continuous service

Exercise period for all the above schemes is occurrence of liquidity event which is as follows :-

a.Listing of equity shares on the recognized stock exchange.
b. Strategic Sale event conferring a right of drag along to the Current Shareholders.
c. Offer of purchase of shares from Option Grantees having Vested Options made by an investor.
d. Cash Settlement or Buy-back event whereby the Holding Company makes an offer for settlement of the Vested Options with the Option Grantee or purchase Shares underlying Vested Options.
e. Any other event, which Board may designate as a liquidity event

The expense recognised for employee services received during the year is Rs.98.80 Lakhs.

(i) The following table lists the input to the Black Scholes models used for the options granted for the year ended 31 March 2025

Particulars	Grant-I	Grant-II	Grant-III	Grant-IV	Grant-V	Grant-VI
Date of Grant	20-11-2017	01-06-2018	15-07-2019	15-07-2020	01-10-2022	20-02-2024
Date of Board Meeting, where ESOP/ESOS were approved	08-09-2017	08-09-2017	08-09-2017	08-09-2017	26-05-2022	20-02-2024
Date of shareholders' approval	10-10-2017	10-10-2017	10-10-2017	10-10-2017	20-06-2022	20-06-2022
Method of settlement	Equity	Equity	Equity	Equity	Equity	Equity
Graded vesting period						
Exercise period	Occurrence of Liquidity event					
Vesting conditions	Continuous service					
Weighted average of remaining contractual Life in Years	Dependent upon happening of liquidity event* (assumed to be 5 years for calculation purpose)					

Since no options were granted during financial year 2023-2024 the above disclosure remains unchanged for the financial year ended 31 March 2024.

(ii) The details of activity under ESOP Scheme 2017 Plan and ESOP Scheme 2022 Plan with an exercise price for the year ended 31 March 2025 have been summarised as below:

Particulars	ESOP Scheme 2017 Plan			ESOP Scheme 2022 Plan		
	Grant-I	Grant-II	Grant-III	Grant-IV	Grant-V	Grant-VI
Exercise Price per Share (Rs)	16	16	20	20	23	20
Number of options Outstanding at the beginning of the year	1,44,625	3,24,481	4,64,382	7,07,938	8,03,381	1,27,183
Number of options Granted during the year	-	-	-	-	-	-
Number of Options Exercised during the year	-	-	-	-	-	-
Number of Options Lapsed during the year	-	-	-	-	96,293	-
Number of Options outstanding at the end of the year	1,44,625	3,24,481	4,64,382	7,07,938	7,07,088	1,27,183
Number of options exercisable at the end of the year						NIL

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The details of activity under ESOP Scheme 2017 Plan and ESOP Scheme 2022 Plan with an exercise price for the year ended 31 March 2024

Particulars	ESOP Scheme 2017 Plan			ESOP Scheme 2022 Plan		
	Grant-I	Grant-II	Grant-III	Grant-IV	Grant-V	Grant-VI
Exercise Price per Share (Rs)	16	16	20	20	23	20
Number of options Outstanding at the beginning of the year	1,44,625	3,24,481	4,64,382	7,30,393	9,06,009	-
Number of options Granted during the year	-	-	-	-	-	1,27,183
Number of Options Exercised during the year	-	-	-	-	-	-
Number of Options Lapsed during the year	-	-	-	22,455	1,02,628	-
Number of Options outstanding at the end of the year	1,44,625	3,24,481	4,64,382	7,07,938	8,03,381	1,27,183
Number of options exercisable at the end of the year						NIL

(iii) Details of Stock Options granted

The Weighted average exercise price of options granted on 20 November 2017, 1 June 2018, 15 July 2019, 15 July 2020, 01 October 2022 and 20

Particulars	Grant-I	Grant-II	Grant-III	Grant-IV	Grant-V	Grant-VI
Share price on the date of Grant	15.91	15.72	19.70	19.80	22.77	93.83
Exercise Price (Rs.)	15.91	15.72	20.00	20.00	23.00	20.00
Expected Volatility(%)	0.01%	50%	50%	50%	60%	50%
Life of the options granted in year	For grants vesting in year 1: 3.5 years For grants vesting in year 2: 4.51 years For grants vesting in year 3: 5.51 years	5 year	5 year	5 year	5 year	5 year
Risk Free Interest Rate(%)	For grants vesting in year 1: 6.62% For grants vesting in year 2: 6.77% For grants vesting in year 3: 6.90%	7.99%p.a.	6.51% p.a	4.94% p.a	7.45% p.a	7.18% p.a
Expected dividend rate(%)	0%	0%	0%	0%	0%	0%
Fair Value of the option (Rs.)	4.06	8.47	10.11	9.75	13.37	80.52
Cancelled units/ shares			-	-	-	-
Outstanding units/shares as at the end of the year			48,374	26,247	29,138	17,562
Contractual life			Dependent upon happening of liquidity event (assumed 5 years)			
Date of grant			15-09-2018	15-07-2019	15-07-2020	01-10-2022
Price per share/ unit (Rs.)			15.91	20.00	20.00	23.00

The fair value of the Phantom Stocks granted have been estimated using Black Scholes model of pricing options. The details of various assumptions / inputs used for the Black Scholes model are given below :

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50 Maturity analysis of assets and liabilities

Assets	As at 31 March 2025			As at 31 March 2024		
	Within 1 year	After 1 year	Total	Within 1 year	After 1 year	Total
Financial assets						
Cash and cash equivalents	66,954	-	66,954	1,37,099	-	1,37,099
equivalents	11,404	5,720	17,124	3,248	12,427	15,675
Derivative financial instruments	186	354	540	-	-	-
Trade receivables	467	-	467	320	-	320
Other receivables	108	-	108	213	-	213
Loans	8,00,025	4,09,774	12,09,799	7,27,905	4,25,320	11,53,225
Investment	5,498	-	5,498	6,560	-	6,560
Other financial assets	15,721	4,444	20,165	16,747	2,113	18,860
Non financial assets						
Current tax assets (net)	2,666	-	2,666	620	-	620
Deferred tax assets (net)	-	16,193	16,193	-	13,472	13,472
Property, plant and equipment	-	4,023	4,023	-	3,508	3,508
Right of Use assets	534	1,018	1,552	517	1,455	1,972
Goodwill	-	55,380	55,380	-	55,380	55,380
Other intangible assets	-	3,045	3,045	-	4,729	4,729
Intangible assets under development	-	1,571	1,571	-	-	-
Other non-financial assets	1,603	3,955	5,558	1,069	3,501	4,570
Total assets	**9,05,166**	**5,05,477**	**14,10,643**	**8,94,298**	**5,21,905**	**14,16,203**
Liabilities						
Financial liabilities						
Trade payables	3,445	-	3,445	2,522	-	2,522
Borrowings	6,05,717	3,97,460	10,03,177	6,15,774	5,02,282	11,18,056
Lease liabilities	499	1,221	1,720	393	1,632	2,025
Other financial liabilities	24,337	-	24,337	29,276	-	29,276
Non financial liabilities						
Provisions	725	3,880	4,605	634	2,730	3,364
Other non financial liabilities	1,238	-	1,238	2,158	207.17	2,365
Current tax liabilities (net)	-	-	-	108	-	108
Total liabilities	**6,35,961**	**4,02,561**	**10,38,522**	**6,50,865**	**5,06,851**	**11,57,716**

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51 Corporate social responsibility (CSR) expenditure

As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the Group. The areas for CSR activities are promoting education, including special education and employment enhancing vocation skills, eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation, ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil air and water. The unspent CSR amount to be utilised in next three financial years for the ongoing projects have been identified during the financial year 2024-25.

Amount required to be spent by the Group during the year and approved by the board

	Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
a)	Gross Amount Required to be spent by the group during the year	782	373
b)	Amount approved by the board to be spent during the year	782	373

c) **Amount spent / unspent during the year ending on 31 March 2025**

	Particulars	In cash	Yet to be paid	Total
i.	Creation or acquisition of a capital asset	-	-	-
ii.	On purposes other than (i) above	481	301	782

d) **Amount spent / unspent during the year ending on 31 March 2024**

	Particulars	In cash	Yet to be paid	Total
i.	Creation or acquisition of a capital asset	-	-	-
ii.	On purposes other than (i) above	267	132	399

e) **Details of Related Party Transactions**

	Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
i.	Ananya Birla Foundation	285	40

f) **Details related to spent & Unspent obligations:**

	Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
i.	Contribution to Public Trust	-	-
ii.	Contribution to Charitable Trust	-	-
iii.	Unspent Amount in relation to:		
	- Ongoing Project	301	132
	- Other than Ongoing Project	-	-

Note : Amount spent towards creation / acqisition of a capital asset will be declared relating to the assets which will be held by other parties as specified in Rule 7(4) of companies (Corporate Social Responsibility policy)Amendment Rules, 2021 for it to be part of CSR expenses. CSR Expenditure has been incurred for promoting education, including special education and employment enhancing vocation skills.

g) **Details of Ongoing Project and other than ongoing project 31 March 2025**

In case of S.135(6) Ongoing Project

Opening Balance as at 1 April 2024		Amount Required to be spent during the year	Amount Spent During The Year		Closing Balance as at 31st March 2025	
With Group	In seperate CSR Unspent A/c		From Bank A/c	From Seperate CSR Unspent A/c	With Group	In seperate CSR Unspent A/c
-	132	305	4	132	-	301

In case of S.135(5) Other than ongoing Project

Opening Balance	Amount Deposited in specified fund of Sch VII withing 6 months	Amount Required to be spent during the year	Amount Spent During the year	Closing Balance
-	-	-	-	-

h) **Details of Ongoing Project and other than ongoing project 31 March 2024**

In case of S.135(6) Ongoing Project

Opening Balance as at 1 April 2023		Amount Required to be spent during the year	Amount Spent During The Year		Closing Balance as at 31st March 2024	
With Group	In seperate CSR Unspent A/c		From Bank A/c	From Seperate CSR Unspent A/c	With Group	In seperate CSR Unspent A/c
-	73	132	-	73	-	132

In case of S.135(5) Other than ongoing Project

Opening Balance	Amount Deposited in specified fund of Sch VII withing 6 months	Amount Required to be spent during the year	Amount Spent During the year	Closing Balance
-	-	-	-	-

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52 Additional information as required by paragraph 2 of the general instructions for preparation of consolidated financial statements to Schedule III to the Companies Act,2013

Name of the Entity	Net Assets i.e. total assets minus total liabilities		Share in Profit or Loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated total assets	Amount	As % of consolidated Profit & Loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Svatantra Microfin Private Ltd	90%	3,34,966	39%	16,491	51%	(132)	39%	16,358
Chaitanya India Fin Credit Private Limited	41%	1,52,765	61%	25,577	49%	(128)	61%	25,449
Total elimination	-31%	(1,15,610)	0%	(184)	-	-	0%	(184)
Total	**100%**	**3,72,121**	**100%**	**41,883**	**100%**	(260)	**100%**	**41,623**

53 During the financial year 2024–25, the Group has observed a higher-than-usual level of observed default rates (ODRs) across certain geographies of our portfolio. These elevated ODRs were largely driven by external macroeconomic factors and transient sectoral stresses that affected borrower performance during the reporting period.
While the Group has noted early signs of stabilization in the most recent quarters, and forward-looking indicators suggest a gradual normalization, the Group believes it remains prudent from a risk management and provisioning standpoint to continue maintaining a management overlay of Rs. 8,561 lakhs (previous year 16,513 lakhs).

54 **Dividend on Compulsorily Convertible Non-Cumulative Preference Shares**
i. Dividend for FY 2023–24
The Board of Directors had declared an interim dividend of 5% on Compulsorily Convertible Non-Cumulative Preference Shares (CCPS), which are classified as equity in accordance with Ind AS 32 – Financial Instruments: Presentation, for the financial year ended 31 March 2024. the total dividend payout amounted to Rs.5,229 lakhs. The payment was made during the financial year 2024–25.
ii. Dividend for FY 2024–25 (First Interim Dividend)
In the meeting held on 28 October 2024, the Board declared an interim dividend of 5% on CCPS for the period 1 April 2024 to 30 October 2024.the total payout amounted to Rs.5,121 lakhs.
iii. Dividend for FY 2024–25 (Second Interim Dividend)
The Board of Directors, in their meeting held on 9 January 2025, declared a second interim dividend of 5% on CCPS for the period 1 November 2024 to 8 January 2025. the total payout amounted to Rs. 738 lakhs

55 **Details of Benami Property held**
There are NIL proceedings have initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

56 **Wilful Defaulter:**
The Group is not declared as wilful defaulter by any bank or financial institution or other lender during the financial year 2024-25 and 2023-24.

57 **Relationship with struck off companies**
The Group has reviewed transactions to identify if there are any transactions with struck off companies. To the extent information is available on struck off companies, there are no transactions with struck off companies.

58 **Registration of charges or satisfaction with Registrar of Companies (ROC)**
All charges or satisfaction are registered with ROC within statutory period by the Group

59 **Compliance with number of layers of companies**
The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017

60 **Compliance with approved Scheme(s) of Arrangements**
During the Financial year 2024-2025 the Group does not have any Scheme of Arrangements in terms of sections 230 to 237 of the Companies Act, 2013

61 **Utilisation of Borrowed funds and share premium:**
During the Financial year 2024-2025
Other than the transactions that are carried out as part of Group's normal lending business:
A) The Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall-
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
B) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall -
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

62 **Undisclosed income**
The Group did not have any undisclosed income during in tax assessments during the financial year 2024-2025 under the Income Tax Act, 1961

63 **Details of Crypto Currency or Virtual Currency**
The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year 2024-2025 and 2023-2024.

64 Proper books of account as required by law have been kept by the Group. Back-up of the books of account and papers maintained in electronic mode is maintained on servers physically located in India on a daily basis.

65 The Group has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, a) in case of the Holding Company i) in case of the Holding Company, in respect of software used for general ledger and loan management, the audit trail feature is not enabled for direct changes to data when using certain access rights till June-24 and post which it has been recorded through PAM system (Privilege Access Management) in the form of video logs and ii) in respect of certain software for loan origination, the audit trail feature is not enabled for direct changes to data when using certain access rights and b) in case of the subsidiary company with respect to the software used for general ledger, the audit trail feature is not enable for certain fields and tables at application level.
Further, there has been no instance of audit trail feature being tampered with wherever it has been enabled. Additionally, the Group has preserved audit trail in respect of the financial years ended March 31, 2024 and March 31, 2025 to the extent it was enabled and recorded in respect of those years.

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66 The Holding Company has obtained an exemption from the Reserve Bank of India (RBI) with respect to maintaining the prescribed qualifying asset criterion of 75% (pertaining to microfinance loans) on a standalone basis. This exemption is valid until the completion of the merger of Chaitanya India Fin Credit Private Limited (CIFCPL), a subsidiary company, with the Holding Company or until 31 March 2026, whichever is earlier, as per RBI letter no. CO.DOR.SIG.No.S5552/03-10-001/2024-2025 dated 13 December 2024.

67 The Board of Directors of the Holding Company at their meeting held on 6 November 2024 have inter-alia, considered and approved the draft Scheme of Amalgamation ("Scheme") between Svatantra Holdings Private Limited ('First Transferor Company'), Chaitanya India Fin Credit Private Limited ('Second Transferor Company') and Svatantra Microfin Private Limited ('Transferee Company' or 'the Company') and their respective shareholders under sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013. The Scheme is subject to the receipt of necessary approvals from the statutory and regulatory authorities, as may be necessary.
The BSE Limited vide its letter dated February 6, 2025 bearing number DCS/AMAL/TS/REG59A/3514/2024-25 has issued Observation Letter with 'no adverse observations' on the Scheme of Amalgamation and the Company has also obtained the necessary approval from Competition Commission of India (CCI) vide its letter no. C-2024/12/1226 dated 18 February 2025. The Company has also filed an application with RBI seeking its approval for the proposed amalgamation on January 30, 2024 and with NCLT on 03 March 2025. The first motion application was heard by the Honourable NCLT, Mumbai Bench on 06 May 2025 seeking direction for holding meetings of Debenture holders and creditors for obtaining their approval towards proposed Scheme of Amalgamation and it is reserved for the order.

As per our report of even date attached
S.R. Batliboi & Co. LLP
Chartered Accountants
Firm's Reg. No.: 301003E/E300005

per Rutushtra Patell
Partner
Membership No. 123596
Place : Mumbai
Date : 29 May 2025

For and on behalf of the Board of Directors of
Svatantra Microfin Private Limited

Ananyashree Birla
Director
DIN No. 06625036
Place : Mumbai
Date : 29 May 2025

Vineet Bijendra Chattree
Managing Director
DIN No. 07962531
Place : Mumbai
Date : 29 May 2025

Vrushali Mahajan
Chief Financial Officer
Place : Mumbai
Date : 29 May 2025

Surinder Kumar Bhatia
Company Secretary
Membership No. 17227
Place : Mumbai
Date : 29 May 2025

S.R. BATLIBOI & CO. LLP
Chartered Accountants

12th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai - 400 028, India
Tel : +91 22 6819 8000

INDEPENDENT AUDITORS' REPORT

To the Members of Svatantra Microfin Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Svatantra Microfin Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2025, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information.

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

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
(a) Impairment of loans (expected credit losses) *(refer note 6 and note 38(c) to the standalone financial statements)*	
Indian Accounting Standard (Ind AS) 109 Financial Instruments requires the Company to provide for impairment of its loans using the	Our audit procedures included the following: • Considered the Company's accounting policies for impairment of loans and assessed

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Key audit matters	How our audit addressed the key audit matter
expected credit loss (ECL) approach. ECL involves an estimation of probability weighted loss on financial assets over their life, considering reasonable and supportable information about past events, current conditions, and forecasts of future economic conditions and other factors which could impact the credit quality of the Company's loans. In the process, a significant degree of judgement and estimates have been applied by the management for: • Grouping of borrowers (Microfinance loan portfolio) based on homogeneity for estimating probability of default (PD), loss given default (LGD) and exposure at default (EAD); • Staging of loans (i.e. classification as "significant increase in credit risk" (SICR) or "credit impaired" categories) based on overdue status and/or qualitative assessment; • Application of an appropriate statistical/ quantitative model for determining the PD, LGD and EAD estimates; • Determining relevant macro-economic and other factors impacting credit quality of loans. The Company has also recorded a management overlay as part of its ECL, to reflect among other things an increased risk of deterioration in relevant macro-economic factors. In view of the high degree of management's judgement involved in estimation of ECL and the overall significance of the impairment loss allowance to the standalone financial statements, it is considered as a key audit matter.	compliance with Ind AS 109 and the governance framework approved by the Board of Directors pursuant to applicable Reserve Bank of India guidelines ("the RBI Guidelines"). • Evaluated the reasonableness of the management estimates by understanding the process of ECL estimation and related assumptions. Tested the internal controls around extraction, validation and computation of the input data used in such estimation. • Assessed the criteria for staging of loans based on their overdue status to check compliance with requirement of Ind AS 109. Tested a sample of performing (stage 1) loans to assess whether any SICR or impairment indicators were present requiring them to be classified under stage 2 or stage 3. • Involved internal specialist for testing of the ECL estimates, including factors that affect the PD, LGD and EAD considering various forward looking macro-economic and other factors. • Tested assumptions used by the management in in respect of post-model adjustments. • Tested the arithmetical accuracy of computation of ECL provision performed by the Company. • Assessed adequacy of disclosures included in the standalone financial statements in respect of expected credit losses.
(b) IT systems and controls	
The financial accounting and reporting systems of the Company are fundamentally reliant on IT systems and IT controls to process significant transaction volumes. Automated accounting procedures and IT environment controls, which include IT governance, general IT controls over program development and changes, access to programs and data and IT operations, are required to be designed and to operate effectively to ensure accurate financial reporting. Any gaps in the IT control environment could result in a material misstatement of the financial accounting and reporting records. Therefore, in view of the pervasive nature and complexity of the IT environment, the	Our audit procedures, assisted by our internal IT experts, on the IT infrastructure and applications relevant to financial reporting included the following: • The aspects covered in the assessment of IT general controls comprised: (i) User Access Management; (ii) Program Change Management; (iii) Other related ITGCs - to understand the design and test the operating effectiveness of such controls in respect of information systems that are important to financial reporting ("in-scope applications"). • Tested the changes that were made to the in-scope applications during the audit period to assess changes that have impact on financial reporting.

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Key audit matters	How our audit addressed the key audit matter
assessment of the general IT controls and the application controls specific to the accounting and preparation of the financial information is considered to be a key audit matter.	• Tested the Company's periodic review of access rights. We also inspected requests of changes to systems for appropriate approval and authorization. • Tested the configuration of the audit trail feature in the accounting software and maintenance of back-up as per extant regulatory requirements. • Performed tests of controls (including other compensatory controls, wherever applicable) on the IT application controls and IT dependent manual controls in the system. • Tested the design and operating effectiveness of compensating controls in case deficiencies were identified and, where necessary, extended the scope of our substantive audit procedures.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditors' report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are also responsible for overseeing the Company's financial reporting process.



Auditors' 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors' 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 Matters

The standalone financial statements of the Company for the year ended March 31, 2024, included in these standalone financial statements, have been audited by the predecessor auditor, who expressed an unmodified opinion on those financial statement on May 29, 2024.



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, as amended;

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

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

   (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above;

   (g) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (h) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2025;

   (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 32 to the standalone financial statements;

      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 4 to the standalone financial statements;

      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, as disclosed in the note 55 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(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate



Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 55 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The interim dividend paid by the Company on the Compulsorily Convertible Non-Cumulative Preference Shares during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

The interim dividend declared and paid by the Company on the Compulsorily Convertible Non-Cumulative Preference Shares during the year and until the date of this audit report is in accordance with section 123 of the Act.

vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, in respect of software used for general ledger and loan management, the audit trail feature is not enabled for direct changes to data when using certain access rights till June-24 and in respect of certain software for loan origination, the audit trail feature is not enabled for direct changes to data when using certain access rights, as described in note 86 to the standalone financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of relevant prior years has been preserved by the company as per the statutory requirements for record retention, to the extent it was enabled and recorded in those respective years, as stated in note 86 to the financial statements.

For S. R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No: 301003E/E300005

per Rutushtra Patell
Partner
Membership No.: 123596

UDIN: 25123596BMIZSE5097

Mumbai
May 29, 2025

Annexure 1 referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date on the Standalone Financial Statements of Svatantra Microfin Private Limited ("the Company")

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

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

(B) The Company has maintained proper records showing full particulars of the intangible assets recognized in the standalone financial statements.

(b) Property, plant and equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has not revalued its property, plant and equipment (including Right of use assets) or intangible assets during the year ended March 31, 2025.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company's nature of business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.

(b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) (a) The Company's principal business is to give loans and is a registered non-banking financial company ('NBFC'). Accordingly, reporting under clause (iii)(a) is not applicable to the Company.

(b) During the year the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans, investments and guarantees to companies, firms, limited liability partnerships or any other parties are not prejudicial to the Company's interest.

(c) In respect of loans and advances in the nature of loans, granted by the Company as part of its business of providing unsecured loans to its retail customers, the schedule of repayment of principal and payment of interest has been stipulated by the Company. Having regard to the voluminous nature of loan transactions, it is not practicable to furnish borrower-wise details of amount, due date for repayment or receipt and the extent of delay in this report (as suggested in the Guidance Note on CARO 2020, issued by the Institute of Chartered Accountants of India for reporting under this clause), in respect of loans and advances which were not repaid / paid when they were due or were repaid / paid with a delay, in the normal course of lending business.

Further, except for 1,97,208 loans classified as credit impaired ('stage 3') with aggregate exposure of principal and interest of Rs. 18,559 lakhs, 86,940 loans where credit risk has increased significantly since initial recognition ('stage 2') with aggregate exposure of principal and interest of Rs. 8,962 lakhs and 50,641 loans where the credit risk has not increased significantly since initial recognition but have some overdue of up to 30 days ('stage 1') with aggregate exposure of principal and interest of Rs. 3,456 lakhs as at March 31, 2025, in respect of which the Company has disclosed staging in note 38(C)(iii) to the standalone financial statements in accordance with Indian Accounting Standards (Ind AS) and the guidelines issued



by the Reserve Bank of India, the parties in respect of 23,11,866 loans with aggregate exposure of principal and interest of Rs. 5,93,399 lakhs are repaying the principal amounts, as stipulated, and are also regular in payment of interest, as applicable.

(d) In respect of loans and advances in the nature of loans, as disclosed in note 38(C)(iii) to the standalone financial statements, the total amount outstanding of loans classified as credit impaired ('stage 3') (including loans overdue for more than ninety days) as at March 31, 2025 is Rs. 18,559 lakhs (1,97,208 loans). In such instances, in our opinion, reasonable steps have been taken by the Company for recovery of the overdue amount of principal and interest.

(e) The Company's principal business is to give loans and is a registered NBFC. Accordingly, reporting under clause (iii)(e) is not applicable.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) Investments in respect of which provisions of sections 185 and 186 of the Act are applicable have been complied with by the Company.

There are no loans, guarantees, and security in respect of which provisions of sections 185 and 186 of the Act are applicable.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) The Company is not in the business of sale of any goods or provision of such services as prescribed. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) There are no dues of goods and services tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess, and other statutory dues, as applicable to the Company, which have not been deposited on account of any dispute.

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

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

(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) Term loans were applied for the purpose for which the loans were obtained.

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



(e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures during the year.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. The Company does not have any associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments). Hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has complied with provisions of sections 42 and 62 of the Companies Act, 2013 in respect of the preferential allotment or private placement of shares during the year. The funds raised, have been used for the purposes for which the funds were raised. The Company has not made any preferential allotment or private placement of fully or partially or optionally convertible debentures during the year under audit.

(xi) (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Act has been filed by us in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company as per the provisions of the Act. Therefore, the requirements to report on clause 3(xii)(a), (b) and (c) of the Order are not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details of such transactions have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.

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

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence the requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The Company has registered as required, under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).

(b) The Company has not conducted any non-banking financial activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

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



(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

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

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 45 to the standalone financial statements.

(b) All amounts that are unspent under section (5) of section 135 of Companies Act, pursuant to any ongoing project, has been transferred to special account in compliance of with provisions of sub section (6) of section 135 of the said Act. This matter has been disclosed in note 45 to the Standalone Financial Statements.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Rutushtra Patell**
Partner
Membership Number: 123596

UDIN: 25123596BMIZSE5097

Mumbai
May 29, 2025

Annexure 2 referred to in paragraph 2(g) under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date on the Standalone Financial Statements of Svatantra Microfin Private Limited

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

We have audited the internal financial controls with reference to standalone financial statements of **Svatantra Microfin Private Limited** ("the Company") as of March 31, 2025 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 control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these 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 these 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 these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with Reference to these 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 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



S.R. BATLIBOI & CO. LLP
Chartered Accountants

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 control 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 March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Rutushtra Patell**
Partner
Membership Number: 123596

UDIN: 25123596BMIZSE5097

Mumbai
May 29, 2025

Svatantra Microfin Private Limited
Standalone balance sheet as at 31 March 2025
(All amounts in ₹ Lakhs unless otherwise stated)

Particulars	Notes	As at 31 March 2025	As at 31 March 2024
ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	3	31,724	99,697
(b) Bank balances other than cash and cash equivalents	3	11,652	8,832
(c) Derivative financial instruments	4	540	-
(d) Receivables			
(i) Trade receivables	5	140	112
(ii) Other receivables	5	174	451
(e) Loans	6	5,82,701	6,40,279
(f) Investments	7	1,73,790	1,55,598
(g) Other financial assets	8	10,356	8,347
Total financial assets		**8,11,077**	**9,13,316**
(2) Non-financial assets			
(a) Current tax assets (net)		2,956	620
(b) Deferred tax assets (net)	9	10,731	12,214
(c) Property, plant and equipment	10	1,901	1,503
(d) Right of use asset	11	1,088	1,338
(e) Intangibles assets	12	458	231
(f) Intangible assets under development	13	1,473	-
(g) Other non financial assets	14	1,236	990
Total non-financial assets		**19,843**	**16,896**
TOTAL ASSETS		**8,30,920**	**9,30,212**
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial liabilities			
(a) Payables	15		
I) Trade payables			
(i) Total outstanding dues of micro enterprises and small enterprises		319	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,131	1,091
II) Other payables			
(i) Total outstanding dues of micro enterprises and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		675	544
(b) Debt securities	16	-	5,000
(c) Borrowings (other than debt securities)	17	4,35,790	6,22,578
(d) Subordinated liabilities	18	41,010	40,786
(e) Lease liabilities		1,198	1,363
(f) Other financial liabilities	19	12,718	9,823
Total financial liabilities		**4,92,841**	**6,81,185**
(2) Non-financial liabilities			
(a) Provisions	20	2,276	1,773
(b) Other non-financial liabilities	21	838	657
Total non-financial liabilities		**3,114**	**2,430**
TOTAL LIABILITIES		**4,95,955**	**6,83,615**
EQUITY			
(a) Equity share capital	22	62,689	25,205
(b) Instruments entirely equity in nature	22	-	1,75,500
(c) Other equity	22	2,72,276	45,892
TOTAL EQUITY		**3,34,965**	**2,46,597**
TOTAL LIABILITIES AND EQUITY		**8,30,920**	**9,30,212**
Summary of material accounting policies	2		

The accompanying notes are an integral part of financial statements

As per our report of even date attached
S.R. Batliboi & Co. LLP
Chartered Accountants
Firm's Reg. No.: 301003E/E300005

per Rutushtra Patell
Partner
Membership No. 123596
Place : Mumbai
Date : 29 May 2025

For and on behalf of the Board of Directors of
Svatantra Microfin Private Limited

Ananyashree Birla
Director
DIN No. 06625036
Place : Mumbai
Date : 29 May 2025

Vineet Bijendra Chattree
Managing Director
DIN No. 07962531
Place : Mumbai
Date : 29 May 2025

Vrushali Mahajan
Chief Financial Officer
Place : Mumbai
Date : 29 May 2025

Surinder Kumar Bhatia
Company Secretary
Membership No. 17227
Place : Mumbai
Date : 29 May 2025

Svatantra Microfin Private Limited
Standalone statement of profit and loss for the year ended 31 March 2025
(All amounts in ₹ Lakhs unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2025	For the year ended 31 March 2024
Revenue from operations			
Interest income	23	1,44,595	1,58,469
Fees and commission income	24	642	1,147
Net gain on fair value changes	25	2,127	1,677
Net gain on derecognition of financial instruments under amortized cost category		13,051	11,772
Total Revenue from operations		**1,60,415**	**1,73,065**
Other income	26	4,124	2,744
Total income		**1,64,539**	**1,75,809**
EXPENSES			
Finance costs	27	57,491	67,378
Impairment on financial instruments	28	29,838	36,999
Employee benefit expenses	29	36,274	28,002
Depreciation and amortization expenses	30	1,315	1,030
Other expenses	31	18,031	13,800
Total expenses		**1,42,949**	**1,47,209**
Profit before tax		**21,590**	**28,600**
Tax expense:			
Current tax	33	3,713	8,834
Excess/short provision of tax relating to earlier years		(90)	209
Deferred tax credit		1,477	(2,079)
Profit for the year [A]		**16,490**	**21,636**
Other comprehensive income, net of tax			
Item that will not to be reclassified to the statement of profit and loss			
Remeasurement of the defined benefit		(120)	(79)
Less: Income tax expense on above		30	20
Other comprehensive income for the year [I]		**(90)**	**(59)**
Item that will be reclassified to the statement of profit and loss			
Derivatives designated at cash flow hedge		(56)	-
Less: Income tax expense on above		14	-
Other comprehensive income for the year [II]		**(42)**	**-**
Total other comprehensive income for the year [I+II] [B]		**(132)**	**(59)**
Total comprehensive income for the year [A+B]		**16,358**	**21,577**
Earnings per equity share (Rs.)			
Basic		2.97	5.57
Diluted		2.96	5.55
Nominal value per share		10.00	10.00
Summary of material accounting policies	2		
The accompanying notes are an integral part of financial statements			

As per our report of even date attached
S.R. Batliboi & Co. LLP
Chartered Accountants
Firm's Reg. No.: 301003E/E300005

per Rutushtra Patell
Partner
Membership No. 123596
Place : Mumbai
Date : 29 May 2025

For and on behalf of the Board of Directors of
Svatantra Microfin Private Limited

Ananyashree Birla
Director
DIN No. 06625036
Place : Mumbai
Date : 29 May 2025

Vineet Bijendra Chattree
Managing Director
DIN No. 07962531
Place : Mumbai
Date : 29 May 2025

Vrushali Mahajan
Chief Financial Officer
Place : Mumbai
Date : 29 May 2025

Surinder Kumar Bhatia
Company Secretary
Membership No. 17227
Place : Mumbai
Date : 29 May 2025

Svatantra Microfin Private Limited
Standalone statement of cash flows for the year ended 31 March 2025
(All amounts in ₹ Lakhs unless otherwise stated)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Profit before tax	**21,590**	**28,600**
Cash flow from operating activities		
Adjustment for:		
Income from investments	(2,393)	(1,677)
Depreciation and amortisation	1,315	1,030
Interest on fixed deposits	(1,694)	(2,197)
Finance cost on lease liabilities	138	96
Employee stock option expense	99	53
Gain on derecognition	(13,051)	(11,772)
Amortisation of Interest Income	(388)	(275)
Amortisation of Interest Expense	1,203	745
Impairment on financial instruments	29,838	36,999
Movement in working capital:		
- (Increase) / decrease in loans and advances	28,124	(50,263)
- (Increase) / decrease in receivables	249	1,130
- (Increase) / decrease in other financial assets	11,043	9,461
- (Increase) / decrease in other non financial assets	(246)	1,040
- Increase / (decrease) in trade payables	492	92
- Increase / (decrease) in other financial Liabilities	2,896	676
- Increase / (decrease) in other non financial Liabilities	181	16
- Increase / (decrease) in provisions	383	507
Cash flow generated from/(used in) operations	**79,779**	**14,261**
Income tax paid (net)	(5,909)	(9,295)
Cash flow generated from/(used in) operations [A]	**73,870**	**4,966**
Cash flow from/(used in) investing activities		
Purchase of property, plant and equipment, intangibles including intangibles under development	(2,986)	(1,382)
Proceeds from sale of property, plant and equipment and intangibles	15	204
Capital advance given	(88)	(663)
Purchase of mutual funds	(6,46,168)	(6,27,069)
Proceeds of sale of mutual funds	6,48,260	6,28,745
Interest received on fixed deposits	1,271	2,711
Proceeds from security receipts	-	1,950
Purchase of Government securities and others	(6,87,034)	-
Sale of Government securities and others	6,86,835	-
Investment in subsidiary	(17,692)	-
Acquisition of subsidiary	-	(1,55,598)
Maturity /(investments) of / in fixed deposits	(2,397)	39,713
Cash flow generated from/(used in) investing activities [B]	**(19,984)**	**(1,11,389)**
Cash flow from/(used in) financing activities		
Proceeds from issuance of compulsorily convertible preference shares	-	1,10,000
Proceeds from borrowings, debt securities and subordinated liabilities	1,90,200	4,56,731
Repayment of borrowings, debt securities and subordinated liabilities	(3,83,565)	(4,15,170)
Proceeds from issue of share capital (including securities premium)	83,000	-
Dividend paid	(11,087)	-
Repayment of lease liabilities	(407)	(389)
Cash flow generated from/(used in) financing activities [C]	**(1,21,859)**	**1,51,172**
Net increase/(decrease) in cash and cash equivalents [A+B+C]	**(67,973)**	**44,749**
Cash and cash equivalents at the beginning of the year (Refer Note 3(a))	99,697	54,948
Cash and cash equivalents at the end of the year (Refer Note 3 (a))	31,724	99,697

S.R. BATLIBOI & CO. LLP MUMBAI 2 Chartered Accountants

SVATANTRA MICROFIN PRIVATE LIMITED MUMBAI

Svatantra Microfin Private Limited
Standalone statement of cash flows for the year ended 31 March 2025

Change in liabilities arising from financing activities

Particulars	As at 1 April 2023	Cash flows	Change in fair value	Other	As at 31 March 2024
Debt securities	21,930	(17,045)	-	115	5,000
Borrowings(Other than debt securities)	5,56,307	66,107	-	164	6,22,578
Deposits	-	-	-	-	-
Subordinated liabilities	47,821	(7,500)	-	465	40,786

Particulars	As at 1 April 2024	Cash flows	Change in fair value	Other	As at 31 March 2025
Debt securities	5,000	(5,023)	-	23	-
Borrowings(Other than debt securities)	6,22,578	(1,88,342)	-	1,554	4,35,790
Deposits	-	-	-	-	-
Subordinated liabilities	40,786	-	-	224	41,010

Notes:

1. All figures in bracket are outflow.
2. The statement of cash flow has been prepared under Indirect Method as per Ind AS 7 "Statement of Cash Flows".
3. Taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
4. For movement of lease liabilities, refer note no. 40

The accompanying notes are an integral part of financial statements

As per our report of even date attached
S.R. Batliboi & Co. LLP
Chartered Accountants
Firm's Reg. No.: 301003E/E300005

per Rutushtra Patell
Partner
Membership No. 123596
Place : Mumbai
Date : 29 May 2025

For and on behalf of the Board of Directors of
Svatantra Microfin Private Limited

Ananyashree Birla
Director
DIN No. 06625036
Place : Mumbai
Date : 29 May 2025

Vineet Bijendra Chattree
Managing Director
DIN No. 07962531
Place : Mumbai
Date : 29 May 2025

Vrushali Mahajan
Chief Financial Officer
Place : Mumbai
Date : 29 May 2025

Surinder Kumar Bhatia
Company Secretary
Membership No. 17227
Place : Mumbai
Date : 29 May 2025

Svatantra Microfin Private Limited
Standalone statement of Changes in Equity for the year ended 31 March 2025
(All amounts in ₹ Lakhs unless otherwise stated)

A. Equity share capital

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	25,20,46,875	25,205	25,20,46,875	25,205
Change in equity share capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	25,20,46,875	25,205	25,20,46,875	25,205
Changes in equity share capital during the year	37,48,39,705	37,484	-	-
Balance at the end of the year	**62,68,86,580**	**62,689**	**25,20,46,875**	**25,205**

B. Instruments entirely equity in nature

Compulsorily convertible non-cumulative preference shares ("CCPS")

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	17,55,00,000	1,75,500	6,55,00,000	65,500
Change during the year	(17,55,00,000)	(1,75,500)	11,00,00,000	1,10,000
Balance at the end of the year	-	-	**17,55,00,000**	**1,75,500**

C. Other equity

Particulars	Reserves and surplus						Other comprehensive income		Total
	Securities premium	Capital reserve	Statutory reserves	Impairment reserve	Employee stock option plan reserve	Retained earnings	Remeasurement of gain/(loss) on defined benefit plans	Effective portion of cash flow hedge	
Balance at 31 March 2023	**4**	**442**	**5,179**	**235**	**187**	**18,196**	**19**	**-**	**24,262**
Profit for the year	-	-	-	-	-	21,636	-	-	**21,636**
Remeasurement of the net defined benefit liability/asset (net of tax)	-	-	-	-	-	-	(59)	-	**(59)**
Transfer to statutory reserve	-	-	4,520	-	-	(4,520)	-	-	-
Expenses on stock option plan	-	-	-	-	53	-	-	-	**53**
Balance at 31 March 2024	**4**	**442**	**9,699**	**235**	**240**	**35,312**	**(40)**	**-**	**45,892**
Profit for the year	-	-	-	-	-	16,490	-	-	**16,490**
Remeasurement of the net defined benefit liability/asset (net of tax)	-	-	-	-	-	-	(91)	-	**(91)**
Derivatives designated at cash flow hedge	-	-	-	-	-	-	-	(42)	**(42)**
Transfer to security premium	2,21,016								**2,21,016**
Transfer to statutory reserve	-	-	3,298	-	-	(3,298)	-	-	-
Expenses on stock option plan	-	-	-	-	99	-	-	-	**99**
Dividend on CCPS	-	-	-	-	-	(11,088)	-	-	**(11,088)**
Balance at 31 March 2025	**2,21,020**	**442**	**12,997**	**235**	**339**	**37,416**	**(131)**	**(42)**	**2,72,276**

The accompanying notes are an integral part of financial statements

As per our report of even date attached
S.R. Batliboi & Co. LLP
Chartered Accountants
Firm's Reg. No.: 301003E/E300005

per Rutushtra Patell
Partner
Membership No. 123596
Place : Mumbai
Date : 29 May 2025

For and on behalf of the Board of Directors of
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Ananyashree Birla
Director
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Vrushali Mahajan
Chief Financial Officer
Place : Mumbai
Date : 29 May 2025

Surinder Kumar Bhatia
Company Secretary
Membership No. 17227
Place : Mumbai
Date : 29 May 2025

1 Corporate Information

Svatantra Microfin Private Limited ('the Company" or "SMPL") (CIN: U74120MH2012PTC227069) is a private limited company incorporated on 17 February 2012 under the provision of the Companies Act, 1956 applicable in india having its registered office at 20th Floor, Sunshine Towers, Senapati Bapat Marg, Elphinstone Road (W), Mumbai - 400 013, Maharashtra. The Company is registered with Reserve Bank of India (RBI) as a "Non Banking Financial Company- Micro Finance Institution with effect from 05 February 2013 (Certificate of Registration Number: N-13.02038)". It's non-convertible debentures are listed on BSE Limited.

The Company is engaged primarily in providing micro finance services to women and organized as Joint Liability Groups ('JLG') or Individual Loans ('IL'). In addition to the core business of providing micro-credit, the Company uses its distribution channel to provide certain other financial products and services to the members.

1.1 Basis of accounting and preparation of standalone financial statements

i. Statement of Compliance

The standalone financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, (as amended from time to time) and other relevant provisions of the Act. Any application guidance/clarifications/ directions issued by Reserve bank of India and other regulators are implemented as and when they are issued/ applicable.

These standalone financial statements have been prepared and presented under the historical cost convention, on the accrual basis except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The financial statements have been prepared on going concern basis in accordance with the Ind AS 1.

2 Material accounting policies

i. Preparation of Financial Statements

The Company prepares and presents its Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity in the format prescribed by Division III of Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 'Statement of Cash Flows'.

The Company presents its balance sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non–current) is presented in Notes to financial statements.

The Company consistently applies the following accounting policies to all periods presented in these standalone financial statements, unless otherwise stated.

The standalone financial statements for the year ended 31 March 2025 were authorised for issue by the board of directors as on 29 May 2025.

Functional and presentation currency

These standalone financial statements are presented in Indian Rupees ('INR' or 'Rs.') which is also the Company's functional currency. All amounts are rounded-off to the nearest lakhs, unless otherwise indicated.

ii. Measurement of fair values

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

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

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

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

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

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

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

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 -Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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The Company's Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

iii. Revenue recognition

Interest Income

Interest income is recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial assets measured at amortised cost other than credit-impaired assets and financial assets classified as measured at FVTPL. Interest income on credit impaired assets is recognised by applying the effective interest rate to the net amortised cost (net of ECL provision) of the financial asset.

The EIR is the rate that discounts the estimated future cash flows through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset adjusted for upfront expenses and incomes attributable to the acquisition of the financial asset.

Interest on financial assets subsequently measured at fair value through profit or loss (FVTPL) is recognised at the contractual rate of interest.

Interest spread under par structure of direct assignment of loan receivables is recognised upfront. On derecognition of the loan receivables in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognised upfront in the Statement of Profit and Loss.

Net gain on Fair value changes

Any differences between the fair values of financial assets classified as fair value through the profit or loss held by Company on the balance sheet date is recognised as an unrealised gain / loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under revenue from operations and if there is a net loss the same is disclosed under "Expenses" in the Statement of Profit and Loss.

Similarly, any realised gain or loss on sale of financial instruments measured at Fair value through profit and loss ("FVTPL") and debt instruments measured at Fair value through Other Comprehensive Income ("FVOCI") is recognised in net gain\loss on fair value changes.

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

Revenue from operations other than interest income

The Company recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers'.

(a) Fees and commission income

The Company recognises commission income on completion of distribution of third-party products

(b) Other operating income

The Company recognises recoveries against written off financial assets on realisation.

Any other operating income is recognised on completion of service.

Income from direct assignment and securitization

Interest Income on securitized loans are considered at par with own loans and is also recognised under the Effective Interest Rate method. In case of Direct Assignment, Company recognize the income upfront on the basis of fair value by discounting the entire interest strip (excess interest spread) of assigned portfolio.

iv. Impairment of financial assets

Loan assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments, and are measured at amortised cost.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is calculated to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognising impairment loss allowance based on 12-month ECL.

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

The measurement of ECL is calculated using three main components: (i) probability of default (PD) (ii) loss given default (LGD) and (iii) the exposure at default (EAD). The 12 month ECL is calculated by multiplying the 12 month PD, LGD and the EAD. The 12 month and lifetime PDs represent the PD occurring over the next 12 months and the remaining maturity of the instrument respectively. The EAD represents the expected balance at default, taking into account the repayment of principal and interest from the balance sheet date to the default event together with any expected drawdowns of committed facilities. The LGD represents expected losses on the EAD given the event of default, taking into account, among other attributes, the mitigating effect of collateral value at the time it is expected to be realised and the time value of money.

The Company applies a three-stage approach to measure ECL on financial assets accounted for at amortised cost and FVTOCI. Assets migrate through the following three stages based on the change in credit quality since initial recognition.

i) Stage 1: 12-months ECL - For exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months is recognised. Exposures with days past due (DPD) less than or equal to 30 days are classified as stage 1.

ii) Stage 2: Lifetime ECL – not credit impaired - For credit exposures where there has been a significant increase in credit risk since initial recognition but that are not credit impaired, a lifetime ECL is recognised. Exposures with DPD 31 days to 90 days are classified as stage 2. At each reporting date, the Company assesses whether there has been a significant increase in credit risk for financial asset since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition.

iii) Stage 3: Lifetime ECL – credit impaired - Financial asset is assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For financial asset that have become credit impaired, a lifetime ECL is recognised on principal outstanding as at period end. Exposures with DPD more than 90 days are classified as stage 3.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is recognised in OCI and carrying amount of the financial asset is not reduced in the balance sheet.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

It has been the Company's policy to regularly review its ECL model in the context of actual loss experience and adjust when necessary. For details, refer note 38 (C).

Other receivables

In respect of other receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of trade receivables.

Write-offs :

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

v. Financial instruments

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

v(a) Derivative Financial Instruments

The Company enters into a derivative financial instruments to manage its exposure to foreign exchange rate risk arising on account of repayment of external commercial borrowings and debts. Derivatives held are cross currency swaps.

Initial Recognition and Subsequent Measurement

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain/loss is recognised in the Statement of profit and loss immediately unless the derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in the statement of profit and loss depends on the nature of the hedge relationship. The Company designates certain derivatives as either hedges of the fair value of recognised assets or liabilities (fair value hedges) or hedges of highly probable forecast transactions (cash flow hedges). A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability.

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Hedge Accounting

The Company uses derivative instruments to manage its risk on exposures to interest rate and foreign currency. In order to manage particular risks, the Company applies hedge accounting for transactions that meet specified criteria. At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction and the nature of the risk being hedged. Hedge effectiveness is determined at the inception of the hedge relationship and at the end of each reporting period end through the assessment of the hedged items and hedging instrument to determine whether there is still an economic relationship between the two. The critical terms of the foreign currency derivatives entered into exactly match the terms of the hedged item. As such the economic relationship and hedge effectiveness are based on the qualitative factors and the use of a hypothetical derivative where appropriate.

Cash Flow Hedges

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on floating interest rate) or a highly probable forecast transaction that can affect profit or loss. 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 reserve within Other Equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately as Finance Cost in the Statement of Profit and Loss. When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time is transferred to the Statement of Profit and Loss.

v(b) Non-derivative financial instruments

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.
The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Non-derivative financial assets
Subsequent measurement

i. Financial assets carried at amortised cost

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

ii. Investments in equity instruments

Investments in equity instruments which are held for trading are classified at fair value through profit or loss (FVTPL). For all other equity instruments, the Company makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same either at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). Amounts presented in other comprehensive income are not subsequently transferred to Statement of Profit and Loss. However, the Company transfers the cumulative gain or loss within equity.
Dividends on such investments are recognised in Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment.

iii. Investments in mutual funds and government securities etc.

Investments in such financial instruments are measured at fair value through profit and loss (FVTPL) except investment in subsidiary which is measured at cost.

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SVATANTRA MICROFIN PRIVATE LIMITED ★ MUMBAI

De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de-recognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement;

A transfer only qualifies for derecognition if either :

(a) the Company has transferred substantially all the risks and rewards of the asset, or

(b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. The Company continues to recognise the assets on finance on books which has been securitized under pass through arrangement and does not meet the de-recognition criteria.

On derecognition of a financial asset in its entirety, the difference between the carrying amount (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. Accordingly, gain or loss on sale or derecognition of assigned portfolio are recorded upfront in the Statement of Profit and Loss as per Ind AS 109. Also, the Company recognises servicing income as a percentage of interest spread over tenure of loan in cases where it retains the obligation to service the transferred financial asset. As per the guidelines of RBI, the Company is required to retain certain portion of the loan assigned to parties in its books as Minimum Retention Requirement ('MRR'). Therefore, it continues to recognise the portion retained by it as MRR.

Non-derivative financial liabilities

Subsequent measurement

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

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

Offsetting of financial instruments

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

i) The normal course of business

ii) The event of default

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

vi. Foreign currency

Company enters to foreign currency transactions during the course of business predominantly relating to borrowing (availement/repayment of borrowing) and payment of fee/charges towards services/products such as license costs, maintenance charges etc.

i) All transactions in foreign currency are recognised at the exchange rate prevailing on the date of the transaction.

ii) Foreign currency monetary items are reported using the exchange rate prevailing at the close of the period.

iii) Exchange differences arising on the settlement of monetary items or on the restatement of Company's monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, are recognised as income or as expenses in the period in which they arise.

vii. Property, plant and equipment

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for its intended use, attributable to the assets.

Subsequent Cost

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Depreciation

i. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, at the annual depreciation rates and in the manner stipulated in Schedule II to the Companies Act, 2013 or based on the depreciation rates as per the estimated useful life of the assets determined by the management, whichever is higher as follows.

Assets Category	Useful Life (in years)
Computer Equipment	3
Computer Servers	6
Furniture & Fixtures	10
Office Equipments	5
Leasehold improvements are amortised over the lease period.	

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ii. When significant parts of plant and equipment are required to be replaced at intervals, the company depreciates them separately based on their specific useful lives.

iii. Property, plant and equipment costing up to INR 5,000 (amount in full) individually are fully depreciated in the year of purchase.

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

Derecognition of assets

An item of property plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the income statement when the asset is derecognised.

Intangible assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Amortisation of Intangible Assets

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.The Company's intangible assets mainly comprise computer software. These assets are considered to have a finite useful life and are amortised over 5 years using the straight-line method.

Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates.

Derecognition of assets

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

Capital work-in-progress

Capital work-in-progress are carried at cost less impairment loss, if any, comprising direct cost and related incidental expenses to acquire property, plant and equipment. Assets which are not ready to intended use are also shown under capital work-in-progress.

Intangible assets under development

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

viii. Income taxes

Income tax expense comprises current tax expenses and net change in the deferred tax assets or liabilities during the year. Current and deferred taxes are recognised in the Statement of Profit and Loss, except when they relate to item that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current tax

Current tax comprises amount of tax payable in respect to the taxable income or loss for the year determined in accordance with Income Tax Act,1961 and any adjustment to tax payable or receivable in respect of prior years. Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts and is intended to realise the asset and settle the liability on a net basis or simultaneously. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The company reflects the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

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Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year 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.

Deferred tax relating to items recognised outside the statement profit or loss is recognised outside the statement profit or loss (either in other comprehensive income or in equity).

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

ix. Employee Benefits

ESOP

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. Further details are given in Note 43 That cost is recognised, together with a corresponding increase in Employee stock option plan reserves in equity, over the period in which the service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the company best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. No expense is recognised for awards that do not ultimately vest because of service conditions have not been met. When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

Short-term employee benefits:

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as a related service provided. A liability is recognised for the amount expected to be paid under short term cash bonus or profit sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Contribution to provident fund and other funds :

In accordance with Indian Law, eligible employees receive benefits from Provident Fund , Employee State Insurance Contribution (ESIC) and Labour welfare fund which is defined contribution plan. In case of Provident fund, both the employee and employer make monthly contributions to the plan, which is administrated by the Government authorities, each equal to the specific percentage of employee's basic salary. The Company has no further obligation under the plan beyond its monthly contributions. Obligation for contributions to the plan is recognised as an employee benefit expense in the Statement of Profit and Loss when incurred.

Gratuity:

Gratuity is a post employment benefit and is in the nature of a defined benefit plan. The liability recognised in the balance sheet in respect of gratuity is the present value of the defined benefit / obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefits / obligations are calculated at the balance sheet date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising on the measurement of defined benefit obligation is charged/ credited to other comprehensive income.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment, and the date that the Company recognises related restructuring costs.

Compensated Absences:

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

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x. **Borrowing costs:**
Borrowing cost of financial liabilities is recognised using the Effective Interest Rate (EIR) method.

xi. **Impairment of non-financial assets**
At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. Recoverable amount is higher of an asset's net selling price and its value in use. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the reporting date, there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

xii. **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand (including imprest), demand deposits and short-term highly liquid investments that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the cash management

xiii. **Provisions, Contingent liabilities and Contingent assets:**
Provisions are recognised only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

Possible obligations which will be confirmed only by future events not wholly within the control of the Company or

Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

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

xv. **Leases**

As a lessee
The Company applies a single recognition and measurement approach for all leases, except for short-term leases. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

a. Right of use assets
The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The right-of-use assets are also subject to impairment.

b. Lease liabilities
At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

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The Company's lease liabilities are included in other financial liabilities.

As a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

2.1 Critical accounting estimates and judgements

The preparation of the standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods

i. Fair value of financial instruments

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes.
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 another valuation technique.
Fair value measurements under Ind-AS are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:
- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs) that the Company can access at measurement date Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 37.

ii. Expected credit loss

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and credit assessment and including forward looking information. The inputs used and process followed by the Company in determining the ECL have been detailed in Note 38(c).

iii. Effective interest rate

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected behavioural life of the financial asset to the gross carrying amount of the financial asset. This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges) as well expected changes to the base rate and other transaction costs and fees paid or received that are integral parts of the instrument.

iv. Business model assessment

Classification and measurement of financial assets depends on the results of the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

v. Useful life and expected residual value of assets

Depreciation and amortisation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

vi. Leases

- The determination of lease term for some lease contracts in which the Company is a lessee, including whether the Company is reasonably certain to exercise lessee options.
- The determination of the incremental borrowing rate used to measure lease liabilities.

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vii. **Deferred Tax**

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realisable, however, could be reduced

viii. **Defined benefit plans**

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

ix. **Provisions and contingencies**

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in statutory litigation in the ordinary course of the Company's business. Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

2.2 **Recent accounting pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 2025, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

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3 (a) Cash and cash equivalents

Particulars	As at 31 March 2025	As at 31 March 2024
Cash on hand	3	5
Balances with banks		
- In current accounts	25,217	37,077
- Deposit with original maturity of less than three months (Refer note below)	-	62,615
Investment in reverse repo		
- Investment in reverse repo	6,504	-
	31,724	**99,697**

Note: Short-term deposits are placed for varying periods between one day to three months, depending on the immediate cash requirements of the Company.

(b) Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2025	As at 31 March 2024
In fixed deposit accounts with original maturity of less than 12 months*	12	-
In fixed deposit accounts with original maturity of more than 12 months*	11,640	8,832
	11,652	**8,832**

* Represent deposits placed as cash collateral in connection with term loans amounting to Rs. 12 lakhs (original maturity less than 12 months) and Rs. 10,802 lakhs (original maturity more than 12 months) (previous year amounting to Rs. 7965 lakhs).

4 Derivative financial instruments

Particulars	As at 31 March 2025			For the year ended 31 March 2025	
Cross currency swap	Notional amount	Fair value assets	Fair value liabilities	Hedging (gains) or losses recognised in other comprehensive income	Hedge ineffectiveness recognised in statement of profit and loss
- Cross currency swap					
USD	16,118	540	-	(56)	-
	16,118	**540**	-	**(56)**	-

Particulars	As at 31 March 2024			For the year ended 31 March 2024	
Cross currency swap	Notional amount	Fair value assets	Fair value liabilities	Hedging (gains) or losses recognised in other comprehensive income	Hedge ineffectiveness recognised in statement of profit and loss
- Cross currency swap					
USD	-	-	-	-	-
	-	-	-	-	-

The Company has policy for entering into derivative transactions. Derivatives comprises of cross currency swap entered by the Company to hedge foreign currency borrowings.

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5 Receivables

Particulars	As at 31 March 2025	As at 31 March 2024
Trade receivables		
Trade receivables - considered good - secured	-	-
Trade receivables - considered good - unsecured	140	112
	140	**112**
Other receivables		
Other receivables - considered good - unsecured	174	451
Unsecured and considered having significant increase in credit risk	-	-
Allowance for other receivables having significant increase in credit risk	-	-
	174	**451**
	314	**563**

Trade receivables ageing schedule as at 31 March 2025

Particulars	Not due	Outstanding from due date of payment					Total
		Less than 6 Months	6 months to 1 year	1-2 years	2-3 Years	More than 3 Years	
Trade Receivables							
Undisputed trade receivables - considered good	140	-	-	-	-	-	140

There are no balances unbilled as at 31 March 2025.

Trade receivables ageing schedule as at 31 March 2024

Particulars	Not due	Outstanding from due date of payment					Total
		Less than 6 Months	6 months to 1 year	1-2 years	2-3 Years	More than 3 Years	
Trade Receivables							
Undisputed trade receivables - considered good	-	112	-	-	-	-	112

There are no balances not due or unbilled as at 31 March 2024.

Note: No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

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6 Loans

Particulars	As at 31 March 2025	As at 31 March 2024
(A) Loans at amortised cost		
(i) Term loans (Joint liability group and individual loans)	6,24,273	6,90,881
(ii) Loans to employees	103	134
Total (A) - Gross	**6,24,376**	**6,91,015**
Less: Impairment loss allowance	41,675	50,736
Total (A) - Net	**5,82,701**	**6,40,279**
(B) Secured/unsecured		
(i) Secured by tangible assets and intangible assets	-	-
(ii) Unsecured	6,24,376	6,91,015
Total (B) - Gross	**6,24,376**	**6,91,015**
Less: Impairment loss allowance	41,675	50,736
Total (B) - Net	**5,82,701**	**6,40,279**
(C)Loans in India		
(i) Public Sector	-	-
(ii) Others	6,24,376	6,91,015
Total (C)- Gross	**6,24,376**	**6,91,015**
Less: Impairment loss allowance	41,675	50,736
Total(C)-Net	**5,82,701**	**6,40,279**
(D) Loans outside India		
(i) Loan outside India	-	-

7 Investments

Particulars	As at 31 March 2025	As at 31 March 2024
Investment carried at fair value through profit and loss		
Investment in treasury bill	500	-
Investment carried at cost		
Investment in subsidiary		
Unquoted		
Investment in Chaitanya India Fin Credit Private Limited ("Chaitanya")	1,73,290	1,55,598
Total	**1,73,790**	**1,55,598**
Out of Above		
(i) Investments in India	1,73,790	1,55,598
(Ii) Investments in outside India	-	-
Total	**1,73,790**	**1,55,598**

During the previous year ended 31 March 2024, the Company acquired 100% equity stake in Chaitanya India Fin Credit Private Limited ("Chaitanya"), a Non-Banking Financial Company – Micro Finance Institution (NBFC-MFI) registered with the Reserve Bank of India. The acquisition involved purchase of 15,76,66,666 equity shares of face value INR 10 each, pursuant to which Chaitanya became a wholly-owned subsidiary of the Company with effect from 23 November 2023.
The Company further infused capital in Chaitanya by way of subcribing to the rights issue and subscribed to 2,20,73,333 equity shares of INR 10 each face value at a premium of INR 70.15 per share, aggregating to a total investment of INR 17,691.77 lakhs. The equity shares were allotted to the Company on 16 December 2024.

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8 Other financial assets

Particulars	As at 31 March 2025	As at 31 March 2024
At amortised cost : Unsecured, considered goods		
Excess interest spread (EIS) receivable	8,173	7,324
Less: Impairment loss allowance	(305)	-
	7,868	**7,324**
Security deposits	324	266
Receivable from insurance company	2,065	662
Other receivable	99	95
Unsecured, considered doubtful		
Receivables - unsecured, considered doubtful	423	79
Provision for doubtful advances	(423)	(79)
	10,356	**8,347**

Reconciliation of impairment loss allowance on other financial assets

Particulars	As at 31 March 2025	As at 31 March 2024
Impairment loss allowance as at beginning of the year	79	66
Net increase/(decrease) during the year	649	13
Impairment loss allowance as at the end of the year	728	79

9 Deferred tax assets (net)

Particulars	As at 31 March 2025	As at 31 March 2024
Deferred tax assets		
On account of:		
Impairment of financials instruments	10,593	12,354
Expenses allowable on payment basis	658	509
Temporary differences of written down value of intangible assets and property, plant and equipment	259	228
Transaction costs on loans	1,561	1,659
Lease liabilities	107	358
Derivatives designated at cash flow hedge	14	-
Total deferred tax assets	**13,192**	**15,108**
Deferred Tax liabilities		
On account of:		
Transaction costs on borrowings and debt securities	412	714
Measurement gain on direct assignment	1,980	1,843
Right to use of assets	69	337
Total deferred tax Liabilities	**2,461**	**2,894**
Net Deferred tax assets / (liabilities)	**10,731**	**12,214**

(Refer note 33.2 for movement of deferred tax assets/(liabilities)).

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10 Property, plant and equipment

Particulars	Furniture & fixtures	Computers	Office equipments	Leasehold Improvements	Total
Gross Carrying Amount (at cost)					
As at 1 April 2023	**669**	**1,780**	**827**	**110**	**3,386**
Additions	142	394	478	5	1,019
Disposals	2	42	70	-	114
As at 31 March 2024	**809**	**2,132**	**1,235**	**115**	**4,291**
Additions	110	404	591	155	1,260
Disposals		1	105		106
As at 31 March 2025	**919**	**2,535**	**1,721**	**270**	**5,445**
Accumulated depreciation					
As at 1 April 2023	**481**	**1,111**	**457**	**92**	**2,141**
Charge for the year	147	235	362	6	750
Deduction for the year	2	40	61		103
As at 31 March 2024	**626**	**1,306**	**758**	**98**	**2,788**
Charge for the year	89	304	432	22	847
Deduction for the year		1	90		91
As at 31 March 2025	**715**	**1,609**	**1,100**	**120**	**3,544**
Net Carrying Amount					
As at 31 March 2024	**183**	**826**	**477**	**17**	**1,503**
As at 31 March 2025	**204**	**926**	**621**	**150**	**1,901**

11 Right of use Asset

Particulars	Premises	Cars	Total
Gross Carrying Amount (at cost)			
As at 1 April 2023	**1,332**	**-**	**1,332**
Additions	636	87	723
Deletions			-
As at 31 March 2024	**1,968**	**87**	**2,055**
Additions	105	-	105
Deletions			-
As at 31 March 2025	**2,073**	**87**	**2,160**
Accumulated Amortisation			
As at 1 April 2023	**497**	**-**	**497**
Charge for the year	207	13	220
Deduction for the year			-
As at 31 March 2024	**704**	**13**	**717**
Charge for the year	331	24	355
Deduction for the year	-	-	-
As at 31 March 2025	**1,035**	**37**	**1,072**
Net Carrying Amount			
As at 31 March 2024	**1,264**	**74**	**1,338**
As at 31 March 2025	**1,038**	**50**	**1,088**

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Svatantra Microfin Private Limited
Notes to the standalone financial statements for the year ended 31 March 2025
(All amounts in ₹ Lakhs unless otherwise stated)

12 Intangible assets

Particulars	Computer Software	Trade Mark	Total
Gross Carraying Amount (at cost)			
As at 1 April 2023	560	-	560
Additions	71	100	171
Disposals	-	-	-
As at 31 March 2024	631	100	731
Additions	340	-	340
Disposals	-	-	-
As at 31 March 2025	971	100	1,071
Accumulated amortization			
As at 31 March 2023	440	0	440
Charge for the year	48	12	60
Deduction for the year			-
As at 31 March 2024	488	12	500
Charge for the year	80	33	113
Deduction for the year			-
As at 31 March 2025	568	45	613
Net Carrying Amount			
As at 31 March 2024	143	88	231
As at 31 March 2025	403	55	458

13 Intangible assets under development

Particulars	As at 31 March 2025	As at 31 March 2024
Opening Balance	-	-
Additions (net)	1,473	
Deletions	-	-
Closing Balance	1,473	-

Intangible assets under development aging schedule as at 31 March 2025.

Intangible assets under development	Amount for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,473	-	-	-	1,473
Projects temporarily suspended	-	-	-	-	-

Intangible assets under development aging schedule as at 31 March 2024.

Intangible assets under development	Amount for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

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14 Other non-financial assets

Particulars	As at 31 March 2025	As at 31 March 2024
Unsecured, considered good		
Prepaid expenses	417	259
Other advances	819	731
	1,236	**990**

15 Payables

Particulars	As at 31 March 2025	As at 31 March 2024
I) Trade payables		
(i) Total outstanding dues of micro enterprises and small enterprises	319	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,131	1,091
II) Other payables		
(i) Total outstanding dues of micro enterprises and small enterprises	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	675	544
	2,125	**1,635**

Trade payables ageing schedule for the year ended as on 31 March 2025

Particulars	Outstanding for following periods from due date of payment *						
	Not due	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	121	195	4	-	-	-	**319**
(ii) Others	39	978	114	-	-	-	**1,131**
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv)Disputed dues – Others	-	-	-	-	-	-	-

* Where no due date of payment is specified in that case disclosure is given from the date of the invoice.

Trade payables ageing schedule for the year ended as on 31 March 2024

Particulars	Outstanding for following periods from due date of payment						
	Not due	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-	-
(ii) Others	1,091	-	-	-	-	-	**1,091**
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv)Disputed dues – Others	-	-	-	-	-	-	-

There are no balances not due or unbilled for year ended 31 March 2024.

Refer note 42 for micro, small and medium enterprises disclosure.

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16 Debt Securities

Particulars	As at 31 March 2025	As at 31 March 2024
At amortised cost		
Redeemable non-convertible debentures		
Secured	-	1,254
Unsecured	-	3,746
Total (A)	-	5,000
Debt securities in India	-	5,000
Debt securities outside India	-	-
Total (B)	-	5,000

17 Borrowings (Other than Debt securities)

Particulars	As at 31 March 2025	As at 31 March 2024
At amortised cost		
Term loans		
Secured*		
(i) from banks	4,04,230	5,45,600
(ii) from others	31,560	76,978
Total (A)	**4,35,790**	**6,22,578**
Borrowings in India	4,19,605	6,05,274
Borrowings outside India	16,185	17,304
Total (B)	**4,35,790**	**6,22,578**

* Secured against the book debt of the company

18 Subordinated liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
At amortised cost		
Unsecured		
Debentures	41,010	40,786
Total (A)	**41,010**	**40,786**
Subordinated liabilities in India	41,010	40,786
Subordinated liabilities outside India	-	-
Total (B)	**41,010**	**40,786**

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SVATANTRA MICROFIN PRIVATE LIMITED MUMBAI

Borrowings (Other than Debt securities and subordinated liabilities) as at 31 March 2025

Type of instrument/institution	Frequency of repayment	Original maturity of loan	Interest rate	Due within 1 year		Due within 1 to 2 years		Due within 2 to 3 years		Due within 3 to 4 years		Total
				No of Instalments	Amount	No of Instalments	Amount	No of Instalments	Amount	No of Instalments	Amount	
Secured												
Term loans from bank	Monthly	Upto 2 Year	7.50% to 8.99%	130	49,361	40	10,663	-	-	-	-	60,024
			9.00% to 9.50%	173	45,289	58	17,625	-	-	-	-	62,914
			9.51% to 10.00%	16	4,542	1	333	-	-	-	-	4,875
			10.01% to 10.50%	54	15,310	-	-	-	-	-	-	15,310
		2 year to 3 Year	7.50% to 8.99%	33	3,354	36	4,000	6	667	-	-	8,021
			9.00% to 9.50%	154	65,032	49	40,198	11	7,900	-	-	1,13,130
			9.51% to 10.00%	39	8,829	5	1,808	-	-	-	-	10,637
			10.01% to 10.50%	27	11,723	6	6,600	-	-	-	-	18,323
	Quarterly	Upto 2 Year	9.00% to 9.50%	8	5,000	1	625	-	-	-	-	5,625
			10.01% to 10.50%	3	2,813	-	-	-	-	-	-	2,813
		2 year to 3 Year	9.00% to 9.50%	23	21,265	13	18,765	4	1336	-	-	41,366
			9.51% to 10.00%	9	11,500	4	5,996	-	-	-	-	17,496
			10.01% to 10.50%	11	9,947	-	-	-	-	-	-	9,947
			10.51% to 11.00%	2	208	-	-	-	-	-	-	208
			11.01% to 11.50%	3	1,661	-	-	-	-	-	-	1,661
		3 and above	9.00% to 9.50%	4	357	4	357	-	-	-	-	714
	Half-Yearly	Upto 2 Year	9.00% to 9.50%	8	6,256	5	5000	-	-	-	-	11,256
Term loan from non-banking financial companies	Monthly	Upto 2 Year	9.51% to 10.00%	4	1,006	-	-	-	-	-	-	1,006
	Quarterly	Upto 2 Year	10.01% to 10.50%	8	3,828	-	-	-	-	-	-	3,828
		3 and above	10.01% to 10.50%	5	1,885	1	469	-	-	-	-	2,354
Term loan from DFI	Monthly	2 year to 3 Year	7.50% to 8.99%	11	6,088	-	-	-	-	-	-	6,088
			9.51% to 10.00%	26	5,245	12	2,700	-	-	-	-	7,945
			10.01% to 10.50%	20	6,036	-	-	-	-	-	-	6,036
			10.51% to 11.00%	11	6,706	-	-	-	-	-	-	6,706
	Quarterly	3 and above	9.51% to 10.00%	5	1,219	3	900	-	-	-	-	2,119
External commercial borrowings	Half-Yearly	3 and above	12.01% to 12.50%	3	4,013	2	3,521	2	3,521	-	-	11,055
	Bullet	2 year to 3 Year	10.01% to 10.50%	2	2,639	-	-	-	-	-	-	2,639
			10.51% to 11.00%	2	2,609	-	-	-	-	-	-	2,609
Sub-total												**4,36,705**
Adjustments of unamortised processing fee based on EIR												(915)
Total												**4,35,790**

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Borrowings (Other than Debt securities and subordinated liabilities) as at 31 March 2024

Type of instrument/institution	Frequency of repayment	Original maturity of loan	Interest rate	Due within 1 year		Due within 1 to 2 years		Due within 2 to 3 years		Due within 3 to 4 years		Total
				No of Instalments	Amount	No of Instalments	Amount	No of Instalments	Amount	No of Instalments	Amount	
Term loans from bank	Monthly	Upto 2 Year	9.00% to 9.50%	162	57,981	112	43,588	-	-	-	-	1,01,569
			9.51% to 10.00%	101	32,623	30	10,148	-	-	-	-	42,771
			10.01% to 10.50%	65	17,196	11	3,125	-	-	-	-	20,321
			10.51% to 11.00%	7	729	-	-	-	-	-	-	729
			11.01% to 11.50%	12	2,300	-	-	-	-	-	-	2,300
		2 year to 3 Year	9.00% to 9.50%	113	29,134	84	22,658	16	5,721	-	-	57,513
			9.51% to 10.00%	156	28,105	58	13,672	5	1,808	-	-	43,585
			10.01% to 10.50%	42	8,767	3	625	-	-	-	-	9,392
			10.51% to 11.00%	12	16,799	-	-	-	-	-	-	16,799
			11.01% to 11.50%	13	5,002	-	-	-	-	-	-	5,002
		3 year to 5 Year	9.51% to 10.00%	33	9,587	21	10,949	7	6,933	-	-	27,469
			10.01% to 10.50%	23	664	1	51	-	-	-	-	715
	Quarterly	Upto 2 Year	9.00% to 9.50%	4	2,500	4	2,500	-	-	-	-	5,000
			9.51% to 10.00%	4	3,750	3	2,813	-	-	-	-	6,563
			10.01% to 10.50%	5	9,003	-	-	-	-	-	-	9,003
			10.51% to 11.00%	6	2,625	-	-	-	-	-	-	2,625
			11.01% to 11.50%	3	1,125	-	-	-	-	-	-	1,125
		2 year to 3 Year	9.00% to 9.50%	5	13,909	8	20,545	8	20,545	-	-	54,999
			9.51% to 10.00%	22	21,314	13	15,667	-	-	-	-	36,981
			10.01% to 10.50%	20	12,176	2	2,222	-	-	-	-	14,398
			10.51% to 11.00%	33	32,885	1	208	-	-	-	-	33,093
		3 year to 5 Year	10.01% to 10.50%	6	3,753	2	1,660	-	-	-	-	5,413
			10.51% to 11.00%	5	2,501	-	-	-	-	-	-	2,501

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Type of instrument/institution	Frequency of repayment	Original maturity of loan	Interest rate	Due within 1 year		Due within 1 to 2 years		Due within 2 to 3 years		Due within 3 to 4 years		Total
				No of Instalments	Amount	No of Instalments	Amount	No of Instalments	Amount	No of Instalments	Amount	
		More than 5 Year	9.00% to 9.50%	4	357	4	357	4	357	-	-	1,071
Term loan from non-banking financial companies	Monthly	Upto 2 Year	9.51% to 10.00%	13	4,031	3	1,000	-	-	-	-	5,031
			10.01% to 10.50%	19	4,719	-	-	-	-	-	-	4,719
			10.51% to 11.00%	11	2,200	-	-	-	-	-	-	2,200
		2 year to 3 Year	9.51% to 10.00%	2	231	-	-	-	-	-	-	231
			10.01% to 10.50%	4	261	-	-	-	-	-	-	261
	Quarterly	Upto 2 Year	9.51% to 10.00%	15	6,285	4	2,875	-	-	-	-	9,160
		2 year to 3 Year	9.51% to 10.00%	5	3,768	1	938	-	-	-	-	4,706
		3 year to 5 Year	10.01% to 10.50%	5	1,892	4	1,875	1	469	-	-	4,236
Term loan from DFI	Monthly	2 year to 3 Year	9.51% to 10.00%	25	5,005	24	5,200	12	2,700	-	-	12,905
			10.01% to 10.50%	39	16,168	28	12,667	-	-	-	-	28,835
			5.00% to 8.99%	26	12,800	10	6,062	-	-	-	-	18,862
			11.51% to 12.00%	12	4,430	-	-	-	-	-	-	4,430
	Quarterly	2 year to 3 Year	10.01% to 10.50%	10	3,652	2	1,222	-	-	-	-	4,874
		More than 5 Year	9.51% to 10.00%	4	3,450	4	1,200	3	900	-	-	5,550
External commercial borrowings	Half-Yearly	3 year to 5 Year	12.01% to 12.50%	2	1,926	2	3,521	2	3,521	2	3,521	12,489
	Bullet	2 year to 3 Year	10.01% to 10.50%	1	76	1	2,447	-	-	-	-	2,522
			10.51% to 11.00%	1	44	1	2448	-	-	-	-	2,492
Sub-total												**6,24,440**
Adjustments of unamortised processing fee based on EIR												(1,862)
Total												**6,22,578**

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Debt Securities

Particulars	Terms of Debentures	Tenor	Date of redemption	Number of Debentures		Amount of Debentures	
				As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
Secured - Redeemable at par							
10.95% rated, listed, senior, secured, redeemable, taxable, transferable Non Convertible Debentures of face value of Rs.1,000,000 each.Redeemable at par.	Principal payment frequency : Quarterly Coupon payment frequency : Monthly	36 Months	29-Sep-24	-	700	-	1,273
9.50% unsecured, subordinated, fully paid up,rated, unlisted, taxable, transferable, redeemable, non-convertible debentures of Rs.5000000 each.Redeemable at par.	Principal payment frequency : Quarterly Coupon payment frequency : Quarterly	24 Months	20-Dec-24	-	2,000	-	3,760
Sub-total						-	**5,033**
Adjustments of unamortised processing fee based on EIR						-	(33)
Total						-	**5,000**

Subordinated liabilities

Particulars	Terms of Debentures	Tenor	Date of redemption	Number of Debentures		Amount of Debentures	
				As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
Unsecured - Redeemable at par							
13.75% unsecured, subordinated, fully paid up,rated, unlisted, taxable, transferable, redeemable, non-convertible debentures of Rs.10 each.Redeemable at par.	Principal payment frequency : Bullet Coupon payment frequency : Quarterly	72 Months	31-Mar-26	1,50,00,000	1,50,00,000	1,500	1,500
12.90% rated, listed, unsecured, taxable, redeemable, subordinated, transferrable, Non Convertible Debentures of face value of Rs.1,000,000 each.Redeemable at par.	Principal payment frequency : Bullet Coupon payment frequency : Yearly	66 Months	30-Sep-26	600	600	6,002	6,002
11.77% unsecured, subordinated, fully paid up,rated, unlisted, taxable, transferable, redeemable, non-convertible debentures of Rs.1000000 each.Redeemable at par.	Principal payment frequency : Bullet Coupon payment frequency : Monthly	72 Months	30-Nov-27	1,250	1,250	12,500	12,635
11.77% unsecured, subordinated, fully paid up,rated, unlisted, taxable, transferable, redeemable, non-convertible debentures of Rs.1000000 each.Redeemable at par.	Principal payment frequency : Bullet Coupon payment frequency : Monthly	72 Months	05-Jan-28	900	900	9,068	9,068
11.77% unsecured, subordinated, fully paid up,rated, unlisted, taxable, transferable, redeemable, non-convertible debentures of Rs.1000000 each.Redeemable at par.	Principal payment frequency : Bullet Coupon payment frequency : Half Yearly	66 Months	23-Jul-27	750	750	7,636	7,500
11.90% unsecured, subordinated, fully paid up,rated, unlisted, taxable, transferable, redeemable, non-convertible debentures of Rs.1000000 each.Redeemable at par.	Principal payment frequency : Bullet Coupon payment frequency : Quarterly	72 Months	15-Jun-28	500	500	5,023	5,023
Sub-total						**41,729**	**41,728**
Adjustments of unamortised processing fee based on EIR basis						(719)	(942)
Total						**41,010**	**40,786**

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19 Other financial liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Employee benefits payable	1,543	752
Payable towards securitised and assigned portfolio	11,012	9,008
Other payables	163	63
	12,718	**9,823**

20 Provisions

Particulars	As at 31 March 2025	As at 31 March 2024
Provision for employee benefits		
Gratuity (refer note 39A)	876	370
Leave encashment (unfunded) (refer note 39C)	1,400	1,403
	2,276	**1,773**

21 Other non-financial liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Statutory dues	838	657
	838	**657**

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22 (a) Share Capital

(i) Details of authorised, issued, subscribed and paid up share capital

Particulars	As at 31 March 2025		As at 31 March 2024	
	Numbers of shares	Amount	Numbers of shares	Amount
Authorized:				
Equity shares of Rs. 10 each	4,75,50,00,000	4,75,500	4,75,50,00,000	4,75,500
Preference shares of Rs. 100 each	53,00,00,000	5,30,000	53,00,00,000	5,30,000
		10,05,500		**10,05,500**
Issued, subscribed and paid-up:				
Equity shares of Rs. 10 each fully paid up	62,68,86,580	62,689	25,20,46,875	25,205
5% Compulsorily Convertible Non-Cumulative Preference Shares Rs. 100 each fully paid up	-	-	17,55,00,000	1,75,500
		62,689		**2,00,705**

(ii) **Rights, preferences and restrictions attached to equity shares**

The Company has equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Details of shareholders holding more than 5% equity shares in the Company on reporting date:

Name of the shareholder	As at 31 March 2025		As at 31 March 2024	
	Numbers of shares	Percentage of shareholding	Numbers of shares	Percentage of shareholding
Ms. Ananyashree Birla	20,78,46,874	33.16%	20,78,46,874	82.46%
Svatantra Holdings Private Limited	13,46,11,109	21.47%	4,00,00,000	15.87%
Violicina Limited	19,89,18,745	31.73%	-	-
Multiples Private Equity Fund III	4,29,65,974	6.85%	-	-
Total	**58,43,42,702**	**93.21%**	**24,78,46,874**	**98.33%**

Shares held by promoters at the end of the year:

	As at 31 March 2025		
Name of the promoters	Numbers of shares	Percentage of shareholding	% Change during the year
Ms. Ananyashree Birla	20,78,46,874	33.16%	-49.30%
Total	**20,78,46,874**	**33.16%**	**-49.30%**

	As at 31 March 2024		
Name of the promoters	Numbers of shares	Percentage of shareholding	% Change during the year
Ms. Ananyashree Birla	20,78,46,874	82.46%	0.00%
Total	**20,78,46,874**	**82.46%**	**0.00%**

The reconciliation of the number of equity shares outstanding:

Particulars	As at 31 March 2025	As at 31 March 2024
Shares at the beginning of the year	25,20,46,875	25,20,46,875
Add :Shares issued during the year	37,48,39,705	-
Shares at the end of the year	**62,68,86,580**	**25,20,46,875**

(iii) **Instruments entirely equity in nature**

Particulars	As at 31 March 2025	As at 31 March 2024
Svatantra Holdings Private Limited	-	65,500
IGH Holdings Private Limited	-	1,10,000
5% Compulsorily Convertible Non-Cumulative Preference Shares	**-**	**1,75,500**

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Right, preferences and restrictions attached to 5% Compulsorily Convertible Non-Cumulative Preference Shares

The Board of Directors in their meeting held on 31 October 2024 had allotted 12,13,39,707 equity shares of face value INR 10/- (Indian Rupees Ten only) each at a premium of INR 58.40/- per equity share by way of preferential issue on private placement basis at an aggregate consideration of INR 83,000 Lakhs and also allotted 14,07,13,584 equity shares on conversion of 9,74,17,098 5% Compulsorily Convertible Non-Cumulative Preference Shares (CCPS) of INR 100/- at a conversion ratio of 13:9 (9 CCPS of INR 100 each fully paid-up convertible into 13 Equity Shares of INR 10 each fully paid up).

Futher the Board of Directors in the meeting held on 9 January 2025 allotted 11,27,86,414 equity shares on conversion of 7,38,04,387 5% Compulsorily Convertible Non-Cumulative Preference Shares (CCPS) of INR 100/- at a conversion ratio of 13:9 (9 CCPS of INR 100 each fully paid-up convertible into 13 Equity Shares of INR 10 each fully paid up)

The Compulsorily Convertible Non-Cumulative Preference Shares (CCPS) shall carry a fixed rate of dividend of 5% (Five Percent) per annum on the capital paid up thereon calculated on a proportionate basis from the date of allotment and shall be non-cumulative. The CCPS shall be compulsorily convertible into equity shares of the Company anytime at the option of the CCPS holder. If the CCPS holder does not exercise the option to convert the CCPS into equity shares before the expiry of 10 (Ten) years from the date of allotment of CCPS, then CCPS shall be convertible into equity shares of the Company on the expiry of 10 (Ten) years from the date of allotment of CCPS. The conversion ratio is 9 CCPS of Rs. 100 each fully paid-up convertible into 13 Equity Shares of Rs. 10 each fully paid up . The Equity Shares to be allotted on conversion of the CCPS shall rank pari passu in all respects with the existing Equity Shares of the Company and shall be subject to Memorandum and Articles of Association of the Company.

(iv) Shares issued for consideration other than cash

The Company has not issued / allotted any shares pursuant to contracts without payment being received in cash, nor issued any bonus shares nor there has been any buy back of shares during five years immediately preceding 31 March 2025.

(v) Shares reserved for issue under options

For details of shares reserved for issue under the Employee Stock Option Plan (ESOP) of the Company (refer note 43)

(b) Other equity

Particulars	As at 31 March 2025	As at 31 March 2024
Securities premium	2,21,020	4
Statutory reserve in terms of section 45 - IC of the RBI Act	12,997	9,699
Impairment reserve	235	235
Retained earnings	37,416	35,312
Employee stock option plan reserve	339	240
Capital reserve	442	442
Other comprehensive Income		(40)
Remeasurement of gain/(loss) on defined benefit plans	(131)	-
Effective portion of cash flow hedge	(42)	-
	2,72,276	**45,892**

22.1 Particulars

Particulars	As at 31 March 2025	As at 31 March 2024
Securities premium		
Opening balance	4	4
Add: Current year transfer	2,21,016	-
Closing balance	**2,21,020**	**4**
Statutory reserve In terms of Section 45 - IC of the RBI Act		
Opening balance	9,699	5,179
Add: Current year transfer	3,298	4,520
Closing balance	**12,997**	**9,699**
Impairment reserve		
Opening balance	235	235
Add: Current year transfer	-	-
Closing balance	**235**	**235**
Retained earnings		
Opening balance	35,312	18,196
Add: Transferred from statement of profit and loss	16,490	21,636
Less: Dividend on CCPS	(11,088)	-
Less: Transfer to statutory reserves	(3,298)	(4,520)
Closing balance	**37,416**	**35,312**
Employee stock option plan reserve		
Opening balance	240	187
Add: Compensation for options granted	99	53
Closing balance	**339**	**240**
Capital reserve		
Opening balance	442	442
Add: Current year transfer	-	-
Closing balance	**442**	**442**

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Other comprehensive income		
Remeasurement of gain/(loss) on defined benefit plans		
Opening balance	(40)	19
Add: Current year transfer	(91)	(59)
Closing balance	**(131)**	**(40)**
Effective portion of cash flow hedge		
Opening balance	-	-
Add: Current year transfer	(42)	-
Closing balance	**(42)**	**-**
	2,72,276	**45,892**

22.2 Securities premium is credited when shares are issued at premium. It can be used to issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs etc.

22.3 Statutory reserve represents the reserve created pursuant to the Reserve Bank of India Act, 1934 ("the RBI Act"). In terms of Section 45 - IC of the RBI Act, a Non-Banking Finance Company is required to transfer an amount not less than 20% of its net profit to a reserve fund before declaring any dividend. Appropriation from this reserve fund is permitted only for the purpose specified by the RBI.

22.4 Impairment Reserves as per RBI notification

As per DOR (NBFC).CC.PD.No.109/22.10.106/2019-20, where impairment allowance under Ind AS 109 is lower than the provisioning required under IRACP (including standard asset provisioning), NBFCs/ARCs shall appropriate the difference from their net profit or loss after tax to a separate 'Impairment Reserves'. The balance in the 'Impairment Reserves' shall not be reckoned for regulatory capital. Further, no withdrawals shall be permitted from this reserves without prior permission from the Department of Supervision, RBI.

22.5 Retained earnings

Retained earnings pertain to the accumulated earnings / losses made by the Company over the years.

22.6 Employee stock option plan reserve

The Company has an employee stock option scheme under which the option to subscribe for the companies share have been granted to the key employees and directors. The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to the key employees as part of their remuneration. Refer to note 43 for further details of the scheme.

22.7 Capital reserve

Capital reserve represents gain on derecognition of compulsorily convertible non-cumulative preference shares on first time adoption of Ind AS.

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23 Interest income

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
On financial assets measured at amortised cost		
Interest on loans	1,42,618	1,56,253
Interest on deposits with banks	1,694	2,197
Interest on employee loans	15	19
On financial assets measured at fair value through profit or loss (FVTPL)		
Interest income on investments and reverse repo	268	-
Total	**1,44,595**	**1,58,469**

24 Fees and commission income

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Income from commission	642	1,147
Total	**642**	**1,147**

Revenue from contracts with customers

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Type of services		
Commission and Fee Income	642	1,147
Geographical markets		
India	642	1,147
Outside India	-	-
Timing of revenue recognition		
Services transferred at a point in time	642	1,147
Services transferred over time	-	-

25 Net gain on fair value changes

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Net gain on financial instruments at fair value through profit or loss		
i) On trading investment portfolio		
- Investments in mutual funds	2,093	1,677
'- Investments in goverment Securities	34	-
ii) Others		
	2,127	**1,677**
Total net gain on fair value changes		
Fair Value changes:		
-Realised	2,127	1,677
-Unrealised	-	-
Total	**2,127**	**1,677**

26 Other income

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Recovery against loans written off	2,778	542
Miscellaneous income	1,346	2,202
Total	**4,124**	**2,744**

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27 Finance costs

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
On financial liabilities measured at amortised costs		
Interest		
On borrowings (other than debt securities)	51,094	59,534
On debt securities	220	1,270
On subordinated liabilities	5,243	5,814
On lease liabilities	138	96
Other borrowing costs	796	664
Total	**57,491**	**67,378**

28 Impairment on financial instruments and written-off

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
On financial assets measured at amortised cost		
Loans		
Impairment on loan portfolio	(9,061)	5,926
Loan portfolio written-off	38,015	30,797
Others		
Other balance written-off	235	197
Impairment on other asset	649	79
Total	**29,838**	**36,999**

29 Employee benefit expenses

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Salaries and Wages	30,557	23,725
Contribution to provident and other funds	2,624	1,895
Gratuity expense	385	292
Expenses on employee stock option plan	99	53
Staff welfare expenses	2,609	2,037
Total	**36,274**	**28,002**

30 Depreciation and amortisation expenses

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation of plant, property and equipment	847	750
Depreciation of right of use assets	355	220
Amortisation of intangible asset	113	60
Total	**1,315**	**1,030**

31 Other expenses

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Advertisement expenses	53	3
Rates and taxes	42	583
Rent	1,805	1,413
Communication expenses	600	455
Director's fees, allowances and expenses	18	7
Travelling and conveyance expenses	5,181	3,508
Training expenses	725	316
Recruitment expenses	25	7
Insurance expenses	53	23
Printing and stationery	352	370
Legal and professional fees	2,889	1,483
Website development expenses	35	16
Electricity and water expenses	461	317
Membership and subscription	85	89
Repairs and maintenance	135	77
Software Service and Maintenance	2,390	1,696
Shared services costs	43	-
Other Administrative Expenses	311	252
Cash management charges (CMS)	1,523	2,147
Commission and brokerage	189	582
Expenses on Corporate social responsibility	347	181
Bank charges	9	9
Auditors' remuneration		
- Audit fees	95	40
- Tax audit fees	-	4
- For other services	34	8
- Out of pocket expenses	6	-
Other expenditure	625	214
Total	**18,031**	**13,800**

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32 Contingent liabilities and capital commitments

(A) Contingent liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Notice under Section 154 of the Income Tax Act for Assessment Year 2020–21	15	-
Total	**15**	**-**

Tax Matter - Direct Tax: The company has received the notice under Section 154 of the Income Tax Act for Assessment Year 2020–21, citing a discrepancy related to the non-disallowance of the provision for standard assets amounting to Rs. 46 lakhs. According to the notice, this has resulted in a contingent tax liability of Rs.15 lakhs. there are no other litigation outstanding as at 31 March 2025.

(B) Commitments not provided for

Particulars	As at 31 March 2025	As at 31 March 2024
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	47	7
Total	**47**	**7**

33 Tax expense

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Current tax expense		
Current tax for the year	3,713	8,834
Earlier year tax	(90)	209
Total	**3,622**	**9,043**
Deferred taxes liabilities / (assets)		
Relating to origination and reversal of temporary differences	1,477	(2,079)
Net deferred tax expense	**1,477**	**(2,079)**
Total income tax expense	**5,100**	**6,964**

33.1 Tax reconciliation

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Profit before income tax expense	21,590	28,600
Statutory income tax rate	25.168%	25.168%
Tax at statutory income tax rate	5,434	7,198
Tax effect of amounts which are not deductible / not taxable in calculating taxable income		
Tax impact on expenses which is non deductible	87	172
Tax impact on deduction under section 80JJAA	(349)	(182)
Others	(73)	(224)
Income tax expense	**5,100**	**6,964**
Effective tax rate	**23.62%**	**24.35%**

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33.2 **Deferred tax movement related to the following:**

1 April 2024 to 31 March 2025

Particulars	Balance as at 1 April 2024	(Charge)/ Credit in Profit & Loss	Recognised in OCI	Recognised in Other Equity	Balance as at 31 March 2025
Deferred tax asset on account of:					
Impairment of financials instruments	12,354	(1,761)	-	-	10,593
Expenses allowable on payment basis	509	149	-	-	658
Temporary differences of written down value of intangible assets and property, plant and equipment	228	31	-	-	259
Transaction costs on loans	1,659	(98)	-	-	1,561
Lease liabilities	343	86	-	-	429
Others	-	14	-	-	14
	15,093	**(1,578)**	-	-	**13,514**
Deferred tax liability on account of:					
Transaction cost on borrowings and debt securities	714	(302)	-	-	412
Measurement gain on direct assignment	1,843	137	-	-	1,980
Right to use of assets	322	69	-		391
	2,879	**(96)**	-	-	**2,783**
	12,214	**(1,482)**	-	-	**10,731**

1 April 2023 to 31 March 2024

Particulars	Balance as at 1 April 2023	(Charge)/ Credit in Profit & Loss	Recognised in OCI	Recognised in Other Equity	Balance as at 31 March 2024
Deferred tax asset on account of:					
Impairment of financials instruments	10,416	1,938	-	-	12,354
Expenses allowable on payment basis	295	214	-	-	509
Temporary differences of written down value of intangible assets and property, plant and equipment	177	51	-	-	228
Transaction costs on loans	1,592	67	-	-	1,659
Lease liabilities	238	105	-	-	343
	12,718	**2,375**	-	-	**15,093**
Deferred tax liability on account of:					
Transaction cost on borrowings and debt securities	902	(188)	-	-	714
Measurement gain on direct assignment	1,464	379	-	-	1,843
Modification (restructuring) gain on financial assets	12	(12)	-	-	-
Right to use of assets	205	117			322
	2,583	**296**	-	-	**2,879**
	10,135	**2,079**	-	-	**12,214**

34 Earnings per share

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Net profit attributable to equity shareholders	16,490	21,636
Weighted average number of equity shares outstanding for the purpose of basic earning per share	55,57,44,946	40,56,98,666
Effects of potential equity shares on Employee Stock Options outstanding	24,75,697	25,71,990
Weighted average number of equity shares in computing diluted earnings per share	55,82,20,643	40,82,70,656
Earnings per share		
Basic earning per share (₹)	2.97	5.57
Diluted earning per share (₹)	2.96	5.55
Nominal value per share (₹)	10	10

Weighted average number of equity shares outstanding includes non cumulative compulsorily convertible preference shares.

35 Related party disclosures

Related party disclosures as required under Indian Accounting standard 24, " Related party disclosure" are given below.

35.1 List of related parties

Nature of relationship	Name of related party
Wholly Owned Subsidiary	Chaitanya India Fin Credit Private Limited (w.e.f. 23 November 2023)
Key Managerial Personnel (KMP)	Kumar Mangalam Birla (Director) Neerja Birla (Director) Ananyashree Birla (Director) Shankar Girija Natarajan (Independent Director) Meena Jagtiani (Independent Director) Vineet Bijendra Chattree (Managing Director) Renuka Ramnath (Director) (appointed w.e.f. 31 October 2024) Shweta Jalan (Director) (appointed w.e.f. 31 October 2024) Gagan Lalit Mohan Joshi (Director) (appointed w.e.f. 31 October 2024) Vrushali Mahajan (Chief Financial Officer) Surinder Kumar Bhatia (Company Secretary) Anujeet Varadkar (Chief Executive Officer) (resigned w.e.f. 23 May 2024)
Entities with singnificant influence over the company	Svatantra Holdings Private Limited Violicina Limited (w.e.f. 31 October 2024) IGH Holdings Private Limited (upto 30 October 2024)
Parties on which KMP's of the Company are able to exercise control	Svatantra Microfin Employee Gratuity Fund Svatantra Online Services Private Limited Svatantra Micro Housing Finance Corporation Limited Aditya Birla Education Trust Ananya Birla Foundation

35.2 Transactions during the year with related parties :

Nature of transactions	Transactions with	For the year ended 31 March 2025	For the year ended 31 March 2024
Investment in Equity share capital	Chaitanya India Fin Credit Private Limited	17,692	-
Issue of compulsorily convertible preference shares	IGH Holdings Private Limited	-	1,10,000
CSR expenses	Ananya Birla Foundation	187	40
Service Fee Income (referral income)	Svatantra Micro Housing Finance Corporation Limited	7	-
Resource Sharing Income *	Chaitanya India Fin Credit Private Limited	27	-
Other Expenses	Svatantra Online Services Private Limited	-	4
Reimbursement of Shared Services Costs *	Chaitanya India Fin Credit Private Limited	48	-
Software Services and Maintenance *	Chaitanya India Fin Credit Private Limited	22	-
Director's Sitting Fees	Shankar Girija Natarajan	9	4
	Meena Jagtiani	9	3
Key Managerial Personnel (KMP) Compensation:			
(a) short-term employee benefits		228	265
(b) post-employment benefits		-	-
(c) other long-term benefits		-	-
(d) termination benefits		-	-
(e) share-based payment		-	-

Terms and conditions:

1. All transactions with these related parties are priced on an arm's length basis and at normal commercial terms
2. During the year, the Company has invested in Chaitanya India Fin Credit Private Limited. refer note 7 for further details.
3. During the previous year, the Company had issued Compulsorily Convertible Preference Shares (CCPS) to IGH Holdings Private Limited. These CCPS were converted into equity shares during the current year. Refer Note 22(iii) for further details.
4. CSR expenses incurred towards ongoing project entered into with Ananya Birla Foundation refer note 45 (g) for further details.
* 5. Each party has cross-charged the other for support Services at mutually agreed rates to leverage each other's capabilities and achieve cost savings, operational efficiency, and business optimization.
6. The Company maintains gratuity trust for the purpose of administering the gratuity payment to its employees (Svatantra Microfin Employee Gratuity Fund).

7. Employee benefits in relation to gratuity are calculated at the Company level and hence not considered in above disclosure.

35.3 Closing balances :

Transactions with	As at 31 March 2025	As at 31 March 2024
Chaitanya India Fin Credit Private Limited	24	-
Svatantra Holdings Private Limited	-	65,500
IGH Holdings Private Limited (Compulsorily Convertible Non-Cumulative Preference Shares)	-	1,10,000

36 Capital management risk

The Company's objective for capital management is to maximize shareholders' value, safeguard business continuity, meet the regulatory requirement and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through borrowings, retained earnings and operating cash flows generated.

As an NBFC-MFI, the RBI requires us to maintain a minimum capital to risk weighted assets ratio ("CRAR") consisting of Tier I and Tier II capital of 15% of our aggregate risk weighted assets. Further, the total of our Tier II capital cannot exceed 100% of our Tier I capital at any point of time. The capital management process of the Company ensures to maintain a healthy CRAR at all the times.

The Company has a board approved policy on resource planning which states that the resource planning of the Company shall be based on its Asset Liability Management (ALM) requirement. The policy of the Company on resource planning will also cover the objectives of the regulatory requirement. The policy prescribes the sources of funds, threshold for mix from various sources, tenure, manner of raising the funds etc.

Regulatory capital

Particulars	As at 31 March 2025	As at 31 March 2024
Tier I Capital	1,72,060	95,378
Tier II Capital	23,863	32,117
Tier I + Tier II Capital	**1,95,923**	**1,27,495**
Risk weighted assets	6,61,747	6,87,821
Tier I CRAR	26.00%	13.87%
Tier II CRAR	3.61%	4.67%
Total CRAR	**29.61%**	**18.54%**

The Company has complied in full with all its externally imposed capital requirements over the reported period.

Loan covenants
In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets the financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breach in meeting these financial covenants would permit the bank to immediately call loans and borrowings. The Company has complied with the covenants under the term of the borrowing facilities through out the reporting period.

37 Fair value measurement

37.1 Financial instruments by category

Particulars	Category	As at 31 March 2025	As at 31 March 2024
Financial assets:			
Cash and cash equivalents			
- Cash and bank balances	Amortized cost	25,220	99,697
- Investment in reverse repo	FVTPL	6,504	-
Bank balances other than cash and cash equivalents	Amortized cost	11,652	8,832
Derivative financial instruments	FVOCI	540	-
Trade receivables	Amortized cost	140	112
Other receivables	Amortized cost	174	451
Loans	Amortized cost	5,82,701	6,40,279
Investments			
- In subsidiary	Cost	1,73,290	1,55,598
- In treasury bill	FVTPL	500	-
Other financial assets	Amortized cost	10,356	8,347
Total financial assets		**8,11,077**	**9,13,316**
Financial liabilities:			
Trade and other payables	Amortized cost	2,125	1,635
Debt securities	Amortized cost	-	5,000
Borrowings (other than debt securities)	Amortized cost	4,35,790	6,22,578
Subordinated liabilities	Amortized cost	41,010	40,786
Lease liabilities	Amortized cost	1,198	1,363
Other financial liabilities (excluding lease liabilities)	Amortized cost	12,718	9,823
Total financial liabilities		**4,92,841**	**6,81,185**

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37.2 Fair value hierarchy

Financial assets and financial liabilities are measured at fair value in the financial statements and are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

The categories used are as follows:
Level 1: Quoted prices (unadjusted) for identical instruments in an active market;
Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and
Level 3: Inputs which are not based on observable market data (unobservable inputs).

Financial assets and liabilities measured at fair value - recurring fair value measurements

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

As at 31 March 2025	Level-1	Level-2	Level-3	Total
Financial assets measured at fair value				
Investments in Treasury bills	-	-	500	**500**
Investments in Reverse repo	-	-	6,504	**6,504**
Derivative financial instruments	-	540	-	**540**

The financial instruments measured at FVTPL were NIL as at 31 March 2024

37.3 Financial assets and liabilities measured at amortized cost at each reporting date

The carrying value of cash and cash equivalents (except for reverse repo), other bank balances, trade receivable and other receivable, other financial assets, trade payables and other payables and other financial liabilities are considered to be approximately equal to the fair value due to their short term maturities.

Particulars	Level	As at 31 March 2025		As at 31 March 2024	
		Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets measured at amortized cost					
Cash and cash equivalents	1	25,220	25,220	99,697	99,697
Bank balances other than cash and cash equivalents	1	11,652	11,652	8,832	8,832
Trade receivables	3	140	140	112	112
Other receivables	3	174	174	451	451
Loans	3	5,82,701	5,82,701	6,40,279	6,40,279
Other financial assets	3	10,356	10,356	8,347	8,347
Total financial assets		**6,30,243**	**6,30,243**	**7,57,718**	**7,57,718**
Financial liabilities measured at amortized cost					
Trade payables	3	2,125	2,125	1,635	1,635
Debt securities	3	-	-	5,000	5,006
Borrowings (other than debt securities)	3	4,35,790	4,35,176	6,22,578	6,22,596
Subordinated liabilities	3	41,010	40,896	40,786	40,646
Lease liabilities	3	1,198	1,198	1,363	1,363
Other financial liabilities	3	12,718	12,718	9,823	9,823
Total financial liabilities		**4,92,841**	**4,92,114**	**6,81,185**	**6,81,069**

i) Loans - The Company considers that the fair value of loans approximate their carrying amount.

ii) Borrowings - All the borrowing taken are at floating rate except few which are on fixed rate of interest and hence, its fair value are deemed to be equivalent to the carrying value adjusted with un-amortize transaction cost. Fair value of fixed loans are determined by discounting expected future contractual cash flows using current market interest rates charged for similar new loans.

iii) Subordinated liabilities and debt securities - The fair value of debt securities are determined by discounting expected future contractual cash flows using current market interest rates charged for similar new loans.

iv) Investment in subsidiary - The company has accounted for its investment in subsidiary at fair value at the time of acquisition due to business combination. The investment is subsequently measured at cost.

During the years mentioned above, there have been no transfers amongst the levels of hierarchy.





37.4 Transfer of financial assets

(i) Assignment Transaction:

The Company has sold some loans and advances measured at amortised cost as per assignment deals, as a source of finance. As per the terms of deal and since the derecognition criteria as per Ind AS 109, including transaction of substantially all the risks and rewards relating to assets being transferred to the buyer being met, the assets have been derecognised.

The management has evaluated the impact of the assignment transactions done during the year for its business model. Based on the future business plan, the Company's business model remains to hold the assets for collecting contractual cash flows.

The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain/(loss) on derecognised assets :-

Particulars	As at 31 March 2025	As at 31 March 2024
Carrying amount of derecognised financial assets	1,17,010	1,09,375
Gain/(loss) for the year	13,051	11,772

Since the Company transferred the above financial asset in a way that qualified for derecognition in its entirety, therefore the whole of the interest spread (over the expected life of the asset) is recognised on the date of derecognition itself as interest only strip receivable and correspondingly recognised as profit on derecognition of financial asset.

38 Financial Risk Management

The Company is exposed to certain financial risks namely credit risk, liquidity risk and market risk i.e. interest rate risk, foreign currency risk and price risk. The Company's primary focus is to achieve better predictability of financial markets and minimize potential adverse effects on its financial performance by effectively managing the risks on its financial assets and liabilities.

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Risk Management Committee is responsible for developing and monitoring the Company's risk management policies. The Committee holds regular meetings and report to board on its activities. The Company's risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. 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. The Company has a Board approved Risk Management framework and has also performed internal capital adequacy assessment process (ICAAP). Robust Risk Management strategy is in place to manage Key risks such as Strategic, Compliance, Credit, Liquidity, Operational Risks and reporting risks.

The Company 's risk management framework is driven by its Board and its sub-committees including the Audit Committee, the Asset Liability Management Committee and the Risk Management Committee. The Company gives due importance to prudent lending practices and have implemented suitable measures for risk mitigation, which include verification of credit history from credit information bureaus, personal verification of a customer's business and residence and major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The Audit committee oversees how management monitors compliances with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit committee

A Liquidity risk

The liquidity risk that an entity will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. For the Company, liquidity risk arises from obligations on account of financial liabilities – debt securities, borrowing, trade payables and other financial liabilities. The Company manages liquidity risk by maintaining adequate cash reserves by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The tables below summarizes the maturity profile of the undiscounted cash flows of the Company's financial liabilities:

As at 31 March 2025

Particulars	Within 1 year	1 - 5 years	5 - 10 years	Beyond 10 years	Total
Trade and other payables	2,125	-	-	-	2,125
Debt securities	-	-	-	-	-
Borrowings (other than debt securities)	3,03,600	1,32,190	-	-	4,35,790
Subordinated liabilities	1,720	39,290	-	-	41,010
Lease liabilities	1,198	-	-	-	1,198
Other financial liabilities	12,718	-	-	-	12,718
Total	**3,21,361**	**1,71,480**	**-**	**-**	**4,92,841**

As at 31 March 2024

Particulars	Within 1 year	1 - 5 years	5 - 10 years	Beyond 10 years	Total
Trade and other payables	1,635	-	-	-	1,635
Debt securities	5,000	-	-	-	5,000
Borrowings (other than debt securities)	3,85,497	2,37,081	-	-	6,22,578
Subordinated liabilities	228	40,558	-	-	40,786
Lease liabilities	1,363	-	-	-	1,363
Other financial liabilities	9,823	-	-	-	9,823
Total	**4,03,546**	**2,77,639**	**-**	**-**	**6,81,185**

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B Market risk

(i) Foreign currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk arise majorly on account of foreign currency borrowings. The Company manages its foreign currency risk by entering in to cross currency swaps and forward contract.

Particulars	As at 31 March 2025	As at 31 March 2024
	USD	
Liability – External Commercial Borrowings	1,88,57,142	-
Assets – Cross Currency Swap	1,88,57,142	-

Hedging policy

The Company's Hedging Policy only allows for effective hedging relationships to be considered as hedges as per the relevant Ind AS. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Company enters into hedge relationship where the critical terms of the hedging instrument match with the terms of the hedged item, and so a qualitative and qualitative assessment of effectiveness is performed.

In respect of Interest rate swaps, there is an economic relationship between the hedged item and the hedging instrument as the terms of the Interest Rate swap contract match that of the foreign currency borrowing (notional amount, interest repayment date etc.). The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the interest rate swap are identical to the hedged risk components.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading cash flow hedging reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in the statement of profit and loss, and is included in the '(Gain) / Loss in Fair Value of Derivatives' line item.

Impact of hedge on the balance sheet

Particulars	Year	Notional amount	Carrying amount of hedging instrument assets	Carrying amount of hedging instrument Liability
USD (cross currency swap)	March 31, 2025	16,118	540	-
USD (cross currency swap)	March 31, 2024	-	-	-

(ii) Interest rate risk

The Company is subject to interest rate risk, since the rates of borrowing might fluctuate over the tenure of instrument. Interest rates are highly sensitive to many factors beyond control, including the monetary policies of the Reserve Bank of India, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. In order to manage interest rate risk, the Company seek to optimize borrowing profile between short-term and long-term loans. The liabilities are categorized into various time buckets based on their maturities and Asset Liability Management Committee supervise an interest rate sensitivity report periodically for assessment of interest rate risks. The Company's exposure to changes in interest rates relates to the Company's outstanding floating rate liabilities.

Details of interest bearing financial liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Borrowings, debt securities and subordinated liabilities		
Floating rate	3,88,095	5,16,919
Fixed rate	88,705	1,51,445
Total borrowings	**4,76,800**	**6,68,364**

Sensitivity analysis

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

Interest rate sensitivity*	Impact on profit before tax	
	For the year ended 31 March 2025	For the year ended 31 March 2024
Borrowings		
Increase by 50 basis points	(1,940)	(2,585)
Decrease by 50 basis points	1,940	2,585

** Holding all other variables as constant*

(iii) Price risk

Exposure

The Company's exposure price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit and loss. To manage the price risk arising from investments, the Company diversifies its portfolio of assets.

C Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, other bank balances, investments, loan assets and other financial assets. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

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Credit risk management

Credit quality of assets

Credit risk is the single largest risk for the Company's business. Management therefore carefully manages its exposure to credit risk. A centralized risk management function oversees the risk management framework, which periodically presents an overview of credit risk of portfolio to the Risk Management Committee.

Credit-worthiness is checked and documented prior to signing any contracts, based on market information. Management endeavours to improve its underwriting standards to reduce the credit risk the Company is exposed to from time to time.

Expected Credit loss (ECL):
Credit Quality of Loans assets:

The following table sets out information about credit quality of loans measured at amortized cost based on days past due information. The amount represents gross carrying amount.

Particulars	As at 31 March 2025	As at 31 March 2024
Gross carrying value		
Stage 1	5,96,855	6,63,075
Stage 2	8,962	5,351
Stage 3	18,559	22,589
Total Gross carrying value as at reporting date	**6,24,376**	**6,91,015**

Management of credit risk for financial assets

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated deposits from banks and financial institutions across the country.

Other financial assets measured at amortized cost

Other financial assets measured at amortized cost includes loans and advances to employees security deposits insurance claim receivables and other recoverable. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

Loans

The Company is a rural focused NBFC-MFI with a geographically diversified presence in India and offer income generation loans under the joint liability group model, predominantly to women from low-income households in Rural Areas. Further, as we focus on providing micro-loans in Rural Areas, our results of operations are affected by the performance and the future growth potential of microfinance in rural India. Our clients typically have limited sources of income, savings and credit histories and our loans are typically provided free of collateral. Such clients generally do not have a high level of financial resilience, and, as a result, they can be adversely affected by declining economic conditions and natural calamities. In addition, we rely on non-traditional guarantee mechanisms rather than tangible assets as collateral, which may not be effective in recovering the value of our loans.

In order to mitigate the impact of credit risk in the future profitability, the Company creates impairment loss allowance basis the expected credit loss (ECL) model for the outstanding loans as at balance sheet date

Inputs considered in the ECL model
Definition of default

A default on a financial asset is when the counterparty fails to make the contractual payments within 90 days of when they fall due. Accordingly, the financial assets shall be classified as Stage 3, if on the reporting date, it has been 90 days past due. Non-payment on another obligation of the same customer is also considered as a stage III.

Exposure at default (EAD)

The EAD represents expected outstanding exposure subject to credit risk at the period/date, when default is considered. The Company does cash flow mapping based on contractual maturity for loans in Stage II, using the exposure at default in future years and the probability of default estimation based on macro variables. For stage I and stage III, as an approximation balance sheet outstanding is used.

Loss given default (LGD)

It is defined as the percentage risk of exposure that is not expected to be recovered in the event of default.
Based on an analysis of historical data, the Company has estimated the loss given default, using historical recovery experience and recovery cost. This is referred to as the workout method. Such recoveries are discounted using interest rate of the loans. While calculating LGD percentage, 100% recoveries are estimated for the cases where the recoveries are absolutely certain to happen within a short period of time.

Probability of Default (PD)

"Probability of default" (PD) is defined as the probability of whether the borrowers will default on their obligations in the future. For assets which are in Stage 1, a 12-month PD is required. For Stage 2 asset's a lifetime PD is required while Stage 3 assets are considered to have a 100% PD. Historical DPD data is utilized to calculate through the cycle PD. PD analysis tracks the migration behaviour of a static pool of loans active at the end of each year across different buckets- Current-30 DPD, 31-90 DPD and 90+ DPD for the 12 month and lifetime period.

Discounting

As per Ind AS 109, ECL is computed by estimating the timing of the expected credit shortfalls associated with the defaults and discounting them using effective interest rate. .

Forward looking information

Forward looking information is incorporated in the measurement of probability of default and consequently in measurement of ECL. Based on the consideration of a variety of external actual and forecast information, the Company forms a 'base case' view of the future direction of GDP growth rate as well as a representative range of other possible forecast scenarios. This process involves developing two or more additional economic scenarios and considering the relative probabilities of each outcome. The base case represents a most likely outcome while the other scenarios represent more optimistic and more pessimistic outcomes.
Further, management overlays are applied in determining forward looking scenarios. It is considered by evaluating all relevant internal and reasonably available external data.

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Significant increase in credit risk

An assessment of whether credit risk has increased significantly since initial recognition is performed at each reporting period by considering the change in the risk of default occurring over the remaining life of the loan exposure. However, unless identified at an earlier stage, the Company have determined all assets are deemed to have suffered a significant increase in credit risk when 30 days past due.

Policy for write off of Loan Assets

The gross carrying amount of a financial asset is written off when there is no realistic prospect of further recovery. This is generally the case when the Company determines that the trade receivable does not have sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Any recoveries made are recognized in Statement of Profit or Loss.

Credit Risk exposure

i) Expected credit losses for financial assets other than loans

As at 31 March 2025	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	25,220	-	25,220
Investment in reverse repo	6,504		6,504
Bank balances other than cash and cash equivalents	11,652	-	11,652
Trade receivables	140	-	140
Other receivables	174	-	174
Other financial assets	11,084	728	10,356

ii) Expected credit losses for financial assets other than loans

As at 31 March 2024	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	99,697	-	99,697
Bank balances other than cash and cash equivalents	8,832	-	8,832
Trade receivables	112	-	112
Other receivables	451	-	451
Other financial assets	8,426	79	8,347

iii) Expected credit loss for loans

Changes in the gross carrying amount and the corresponding ECL allowances in relation to loans from beginning to end of reporting period:

Particulars	Stage 1	Stage 2	Stage 3
Gross carrying amount as at March 31 2023	**6,31,475**	**6,478**	**33,592**
Assets originated (net of repayments and collections)	4,90,583	-	-
Net transfer between stages			
Transfer from stage 1	(25,982)	10,553	15,429
Transfer from stage 2	75	(8,996)	8,921
Transfer from stage 3	35	4	(39)
Assets derecognized or collected (excluding write offs)	(4,33,111)	(2,688)	(4,517)
Write-Off	-	-	(30,797)
Gross carrying amount as at March 31 2024	**6,63,075**	**5,351**	**22,589**
Assets originated (net of repayments and collections)	4,44,491	-	-
Net transfer between stages			
Transfer from stage 1	(43,065)	30,806	12,259
Transfer from stage 2	24	(25,697)	25,673
Transfer from stage 3	22	3	(25)
Assets derecognized or collected (excluding write offs)	(4,67,692)	(1,501)	(3,922)
Write-Off	-	-	(38,015)
Gross carrying amount as at March 31 2025	**5,96,855**	**8,962**	**18,559**

(Number of loan accounts with principal and/ or interest overdue (including loans classified as significant increase in credit risk and credit impaired) as at March 31 March 2025 is (50,641 in stage 1), (86,940 in stage 2) and (1,97,208 in stage 3)).

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Reconciliation of loss allowance provision from beginning to end of reporting period:

Particulars	Stage 1	Stage 2	Stage 3
Loss allowance as on March 31 2023	**19,250**	**4,134**	**21,426**
Net transfer between stages			
Transfer from stage 1	(684)	278	406
Transfer from stage 2	57	(6,747)	6,691
Transfer from stage 3	26	3	(30)
Provision created or derecognized (excluding write offs)	7,905	6,352	22,466
Write-Off	-	-	(30,797)
Loss allowance as on March 31 2024	**26,554**	**4,020**	**20,162**
Net transfer between stages			
Transfer from stage 1	(1,194)	854	340
Transfer from stage 2	15	(16,240)	16,225
Transfer from stage 3	17	2	(19)
Provision created or derecognized (excluding write offs)	(4,566)	17,060	16,460
Write-Off	-	-	(38,015)
Loss allowance amount as at March 31 2025	**20,826**	**5,696**	**15,153**

Concentration of loans

Concentration by type of loan	As at 31 March 2025	As at 31 March 2024
Term loans (JLG and Individual loans)	6,24,273	6,90,881
Employee loans	103	134
Gross carrying Amount	**6,24,376**	**6,91,015**

39 Retirement benefit plans

The Company has the following defined benefits plans:

39A Gratuity (funded)

As per Ind AS-19 'Employee Benefits', the disclosure of Employee benefits as defined in the Standard are given below:

In accordance with Indian Accounting Standard 19, actuarial valuation was done in respect of the aforesaid defined benefit plan of gratuity based on the following assumptions:

39.1

Particulars	As at 31 March 2025	As at 31 March 2024
Actuarial assumptions		
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14
Discount rate (per annum)	6.50%	7.15%
Rate of salary increase	7.00%	7.00%
Attrition/Withdrawal rate per annum	27.00%	27.00%

39.2

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Changes in the present value of defined benefit obligation		
Present value of obligation at the beginning of the year	1,140	809
Interest expense	81	59
Current service cost	360	279
Past service cost	-	-
Benefit paid	(207)	(80)
Actuarial (gains) / losses on obligations - due to change in demographic assumptions	-	-
Actuarial (gains) / losses on obligations - due to change in financial assumptions	38	4
Actuarial (gains) / losses on obligations - due to experience	82	69
Present value of obligation at the end of the year	**1,494**	**1,140**

39.3

Particulars	As at 31 March 2025	As at 31 March 2024
Assets and liabilities recognized in the balance sheet		
Present value of the defined benefit obligation at the end of the year	1,494	1,140
Fair value of plan assets at the end of the year	618	770
Net liability / (asset) recognized in the balance sheet	**876**	**370**

39.4

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Changes in the fair value of plan assets		
Fair value of plan assets as at the beginning	770	634
Investment income	54	46
Benefit paid	(206)	(80)
Return on plan assets , excluding amount recognised in net interest expense	-	(5)
Employer's Contribution	-	175
Fair value of plan assets as at the year end	**618**	**770**

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39.5

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Expenses recognized in the statement of profit and loss		
Current service cost	360	279
Net interest cost	25	13
Net gratuity cost recognized in the current year	**385**	**292**

39.6

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Expenses recognized in the statement of other comprehensive income (OCI)		
Actuarial (gains) / losses :		
Change in demographic assumptions	-	-
Change in financial assumptions	38	4
Experience variance	82	69
Return on plan assets, excluding amount recognised in net interest expense	-	6
Total remeasurement cost for the year recognized in OCI	**120**	**79**

39.7

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Sensitivity Analysis:		
Delta effect of +1% change in rate of discounting	(1,437)	(1,098)
Delta effect of -1% change in rate of discounting	1,557	1,186
Delta effect of +1% change in rate of salary increase	1,555	1,185
Delta effect of -1% change in rate of salary increase	(1,437)	(1,097)
Delta effect of +50% change in rate of Attrition rate	(1,356)	(1,056)
Delta effect of -50% change in rate of Attrition rate	1,697	1,247

39.8

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Maturity analysis of projected benefit obligation		
1 year	316	259
Sum of years 2 to 5	984	767
Sum of years 6 to 10	505	383
Sum of years 11 and above	200	153

39.9

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Catogary of plan assets		
Funds managed by Trust	100%	100%

Through its defined benefit plans the Company is exposed to a number of risks, the most significant of which are detailed below:

Interest Rate Risk:
The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Liquidity Risk:
This is the risk that the Company is not able to meet the short-term gratuity payouts. This may arise due to non-availability of enough cash / cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

Salary Escalation Risk:
The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Demographic Risk:
The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Regulatory Risk:
Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of Rs. 20,00,000).

Asset Liability Mismatching or Market Risk:
The duration of the liability is longer compared to duration of assets, exposing the Company to market risk for volatilities / fall in interest rate.

Investment Risk:
The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

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39B Defined contribution plan

The Company contributes towards provident fund for employees which is the defined contribution plan for qualifying employees. Under this Scheme, the Company is required to contribute specified percentage of the payroll cost to fund the benefits. The Company has recognized Rs. 2069 lakhs and Rs. 1500 lakhs towards provident fund contributions in the Statement of Profit and Loss for the year ended 31 March 2025 and 31 March 2024, respectively.

39C Leave Encashment

The principal demographic assumptions used in the valuation are shown in the table below:

Particulars	As at 31 March 2025	As at 31 March 2024
Actuarial assumptions		
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14
Normal retirement age	60 years	60 years
Attrition / Withdrawal rate (per annum)	27.00%	27.00%
Rate of Leave Availment (per annum)	0.00%	0.00%
Rate of Leave Encashment during employment (per annum)	0.00%	0.00%

Expenses Recognized in Income Statement

Particulars	As at 31 March 2025	As at 31 March 2024
Present value of obligation as at the beginning	1,403	989
Present value of obligation as at the end	1,400	1,403
Benefit Payment	843	285
Actual return on plan assets	-	-
Transfer In / (Out)	-	-
Expenses Recognized in Income Statement	**840**	**699**

40 Leases

Company as lessee

The company's leased assets primarily consist of leases for head office & branch premises. The term of property leases ranges from 1-5 years.

(i) Set out below are the carrying amounts of right-of-use assets recognized and the movements during the period:

Particulars	Total
As at 31 March 2023	**835**
Additions	723
Deletions	-
Depreciation expenses for the year	220
As at 31 March 2024	**1,338**
Additions	105
Deletions	-
Depreciation expenses for the year	355
As at 31 March 2025	**1,088**

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

Particulars	Total
As at 31 March 2023	**932**
Additions	723
Accretion of interest	96
Payment	389
As at 31 March 2024	**1,363**
Additions	105
Accretion of interest	137
Payment	407
As at 31 March 2025	**1,198**

The maturity analysis of lease liabilities are disclosed in Note 44.
The effective interest rate for lease liabilities is varying from 10.08% - 10.40%, with maturity between 2019-2027

(iii) The following are the amounts recognized in profit or loss:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation expense of right-of-use assets	355	220
Interest expense on lease liabilities	137	96
Expense relating to short-term leases (included in other expenses)	1,805	1,413
Expense relating to leases of low-value assets (included in other expenses)	-	-
Variable lease payments (if any, included in other expenses)	-	-

The Company had total cash outflows for leases of Rs 2,213 lakhs in FY 2024-25 (1,802 lakhs in FY 2023-24).

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41 Segment information

41.1 Business segment

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM regularly monitors and reviews the operating result of the whole Company as one segment of "Financing". Thus, as defined in Ind AS 108 "Operating Segments", the Company's entire business falls under this one operational segment.

41.2 Entity wide disclosures

No revenue from transactions with a single external customer or counterparty amounted to 10% or more of the Company's total revenue in year ended 31 March 2025 and 31 March 2024

The Company operates in single geography i.e. India and therefore, geographical information is not required to be disclosed separately.

42 Following disclosures as required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 has been made to the extent information available with the Company :

Particulars	As at 31 March 2025	As at 31 March 2024
(i) Principal amount remaining unpaid (but within due date as per the Micro, Small and Medium Enterprises Development Act, 2006)	319	-
(ii) Interest due thereon remaining unpaid	-	-
(iii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprise Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(iv) 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 Micro, Small and Medium Enterprise Development Act, 2006.	-	-
(v) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006	-	-

43 Share based payments

A Employee stock option plan (ESOP)

The company has provided various equity settled share based payment schemes to its employees. On 10 October 2017 and 20 June 2022, the members of the company vide special resolution approved the Employee Stock Option Plan ('ESOP') scheme namely ESOP 2017 and ESOP Scheme 2022 respectively. The details are ESOP scheme as at 31 March 2025 are as follows. :-

Particulars	Grant	Phase	Number of Options granted	Vesting Period (In years)	Vesting Conditions
ESOP Scheme 2017	Grant-I	Phase-I	1,44,625	1 year from grant date	Continuous service
	Grant-I	Phase-II		2 year from grant date	Continuous service
	Grant-I	Phase-III		3 year from grant date	Continuous service
	Grant-II	Phase-I	3,24,481	1 year from grant date	Continuous service
	Grant-II	Phase-II		2 year from grant date	Continuous service
	Grant-II	Phase-III		3 year from grant date	Continuous service
	Grant-III	Phase-I	4,64,382	1 year from grant date	Continuous service
	Grant-III	Phase-II		2 year from grant date	Continuous service
	Grant-III	Phase-III		3 year from grant date	Continuous service
	Grant-IV	Phase-I	7,07,938	1 year from grant date	Continuous service
	Grant-IV	Phase-II		2 year from grant date	Continuous service
	Grant-IV	Phase-III		3 year from grant date	Continuous service
ESOP Scheme 2022	Grant-V	Phase-I	7,07,088	1 year from grant date	Continuous service
	Grant-V	Phase-II		2 year from grant date	Continuous service
	Grant-V	Phase-III		3 year from grant date	Continuous service
	Grant-VI	Phase-I	1,27,183	1 year from grant date	Continuous service
	Grant-VI	Phase-II		2 year from grant date	Continuous service

Exercise period for all the above schemes is occurrence of liquidity event which is as follows :-
a.Listing of equity shares on the recognized stock exchange.
b. Strategic Sale event conferring a right of drag along to the Current Shareholders.
c. Offer of purchase of shares from Option Grantees having Vested Options made by an investor.
d. Cash Settlement or Buy-back event whereby the Company makes an offer for settlement of the Vested Options with the Option Grantee or purchase Shares underlying Vested Options.
e. Any other event, which Board may designate as a liquidity event

The expense recognised for employee services received during the year is Rs.98.80 Lakhs.

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(i) **The following table lists the input to the Black Scholes models used for the options granted for the year ended 31 March 2025**

Particulars	Grant-I	Grant-II	Grant-III	Grant-IV	Grant-V	Grant-VI
Date of Grant	20-11-2017	01-06-2018	15-07-2019	15-07-2020	01-10-2022	20-02-2024
Date of Board Meeting, where ESOP/ESOS were approved	08-09-2017	08-09-2017	08-09-2017	08-09-2017	26-05-2022	20-02-2024
Date of shareholders' approval	10-10-2017	10-10-2017	10-10-2017	10-10-2017	20-06-2022	20-06-2022
Method of settlement	Equity	Equity	Equity	Equity	Equity	Equity
Graded vesting period						
Exercise period	Occurrence of Liquidity event					
Vesting conditions	Continuous service					
Weighted average of remaining contractual Life in Years	Dependent upon happening of liquidity event* (assumed to be 5 years for calculation purpose)					

Since no options were granted during financial year 2023-2024 the above disclosure remains unchanged for the financial year ended 31 March 2024.

(ii) **The details of activity under ESOP Scheme 2017 Plan and ESOP Scheme 2022 Plan with an exercise price for the year ended 31 March 2025 have been summarised as below:**

Particulars	ESOP Scheme 2017 Plan				ESOP Scheme 2022 Plan	
	Grant-I	Grant-II	Grant-III	Grant-IV	Grant-V	Grant-VI
Exercise Price per Share (Rs)	16	16	20	20	23	20
Number of options Outstanding at the beginning of the year	1,44,625	3,24,481	4,64,382	7,07,938	8,03,381	1,27,183
Number of options Granted during the year	-	-	-	-	-	-
Number of Options Exercised during the year	-	-	-	-	-	-
Number of Options Lapsed during the year	-	-	-	-	96,293	-
Number of Options outstanding at the end of the year	1,44,625	3,24,481	4,64,382	7,07,938	7,07,088	1,27,183
Number of options exercisable at the end of the year	NIL					

The details of activity under ESOP Scheme 2017 Plan and ESOP Scheme 2022 Plan with an exercise price for the year ended 31 March 2024 have been summarised as below:

Particulars	ESOP Scheme 2017 Plan				ESOP Scheme 2022 Plan	
	Grant-I	Grant-II	Grant-III	Grant-IV	Grant-V	Grant-VI
Exercise Price per Share (Rs)	16	16	20	20	23	20
Number of options Outstanding at the beginning of the year	1,44,625	3,24,481	4,64,382	7,30,393	9,06,009	-
Number of options Granted during the year	-	-	-	-	-	1,27,183
Number of Options Exercised during the year	-	-	-	-	-	-
Number of Options Lapsed during the year	-	-	-	22,455	1,02,628	-
Number of Options outstanding at the end of the year	1,44,625	3,24,481	4,64,382	7,07,938	8,03,381	1,27,183
Number of options exercisable at the end of the year	NIL					

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(iii) Details of Stock Options granted

The Weighted average exercise price of options granted on 20 November 2017, 1 June 2018, 15 July 2019, 15 July 2020, 01 October 2022 and 20 February 2024 is INR 15.91, INR 15.72, INR 20, INR 20, INR 23 and INR 20 respectively. The Black -Scholes Model has been used for computing the weighted average fair value considering the following:

Particulars	Grant-I	Grant-II	Grant-III	Grant-IV	Grant-V	Grant-VI
Share price on the date of Grant (Rs.)	15.91	15.72	19.70	19.80	22.77	93.83
Exercise Price (Rs.)	15.91	15.72	20.00	20.00	23.00	20.00
Expected Volatility(%)	0.01%	50.00%	50.00%	50.00%	60.00%	50.00%
Life of the options granted in year	For grants vesting in year 1: 3.5 years For grants vesting in year 2: 4.51 years For grants vesting in year 3: 5.51 years	5 year	5 year	5 year	5 year	5 year
Risk Free Interest Rate(%)	For grants vesting in year 1: 6.62% For grants vesting in year 2: 6.77% For grants vesting in year 3: 6.90%	7.99%p.a.	6.51% p.a	4.94% p.a	7.45% p.a	7.18% p.a
Expected dividend rate(%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fair Value of the option (Rs.)	4.06	8.47	10.11	9.75	13.37	80.52

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44 Maturity analysis of assets and liabilities

Assets	As at 31 March 2025			As at 31 March 2024		
	Within 1 year	After 1 year	Total	Within 1 year	After 1 year	Total
Financial assets						
Cash and cash equivalents	31,724	-	31,724	99,697	-	99,697
Bank balances other than cash and cash equivalents	10,497	1,155	11,652	865	7,967	8,832
Derivative financial instruments	186	354	540	-	-	-
Trade receivables	140	-	140	112		112
Other receivables	174	-	174	451		451
Loans	3,94,413	1,88,288	5,82,701	3,94,396	2,45,883	6,40,279
Investment	500	1,73,290	1,73,790	-	1,55,598	1,55,598
Other financial assets	9,438	918	10,356	7,706	641	8,347
Non financial assets						
Current tax assets (net)	2,956	-	2,956	620	-	620
Deferred tax assets (net)	-	10,731	10,731	-	12,214	12,214
Property, plant and equipment	-	1,901	1,901	-	1,503	1,503
Right of Use assets	362	726	1,088	332	1,006	1,338
Other intangible assets	-	458	458	-	231	231
Intangible assets under development	-	1,473	1,473	-	-	-
Other non-financial assets	1,226	10	1,236	612	378	990
Total assets	**4,51,616**	**3,79,304**	**8,30,920**	**5,04,791**	**4,25,421**	**9,30,212**
Liabilities						
Financial liabilities						
Trade payables						
- Total outstanding dues of micro enterprises and small enterprises	319	-	319	-	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	1,131	-	1,131	1,091	-	1,091
Other payables						
- Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	675	-	675	544	-	544
Debt securities	-	-	-	5,000	-	5,000
Borrowings	3,03,601	1,32,189	4,35,790	3,58,993	2,63,585	6,22,578
Subordinated liabilities	1,720	39,290	41,010	228	40,558	40,786
Lease liabilities	332	866	1,198	253	1,110	1,363
Other financial liabilities	12,718	-	12,718	9,823	-	9,823
Non financial liabilities						
Provisions	399	1,877	2,276	409	1,365	1,773
Other non financial liabilities	838	-	838	657	-	657
Total liabilities	**3,21,733**	**1,74,222**	**4,95,955**	**3,76,997**	**3,06,618**	**6,83,615**

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45 Corporate social responsibility (CSR) expenditure

As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the Company. The areas for CSR activities are promoting education, including special education and employment enhancing vocation skills, eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation, ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil air and water. The unspent CSR amount to be utilised in next three financial years for the ongoing projects have been identified during the financial year 2024-25.

Amount required to be spent by the Company during the year and approved by the board

	Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
a)	Gross Amount Required to be spent by the group during the year	347	181
b)	Amount approved by the board to be spent during the year	347	181

c) **Amount spent / unspent during the year ending on 31 March 2025**

	Particulars	In cash	Yet to be in cash	Total
i.	Creation or acquisition of a capital asset	-	-	-
ii.	On purposes other than (i) above	160	187	347

d) **Amount spent / unspent during the year ending on 31 March 2024**

	Particulars	In cash	Yet to be in cash	Total
i.	Creation or acquisition of a capital asset	-	-	-
ii.	On purposes other than (i) above	49	132	181

e) **Details of Related Party Transactions**

	Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024	Total
i.	Ananya Birla Foundation	187	40	227

f) **Details related to spent & Unspent obligations:**

	Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
i.	Contribution to Public Trust	-	-
ii.	Contribution to Charitable Trust	-	-
iii.	Unspent Amount in relation to:		
	- Ongoing Project	187	132
	- Other than Ongoing Project	-	-

Note : Amount spent towards creation / acqisition of a capital asset will be declared relating to the assets which will be held by other parties as specified in Rule 7(4) of companies (Corporate Social Responsibility policy)Amendment Rules,2021 for it to be part of CSR expenses. CSR Expenditure has been incurred for promoting education, including special education and employment enhancing vocation skills.

g) **Details of Ongoing Project and other than ongoing project 31 March 2025**

In case of S.135(6) Ongoing Project

Opening Balance as at 1 April 2024		Amount Required to be spent during the year	Amount Spent During The Year		Closing Balance as at 31st March 2025	
With Company	In seperate CSR Unspent A/c		From Company's Bank A/c	From Seperate CSR Unspent A/c	With Company	In seperate CSR Unspent A/c
-	132	187	-	132	-	187

Note: An amount of Rs.187 lakhs remained unspent as at the end of the financial year. This amount has been allocated to the Ananya Birla Foundation towards a multi-dimensional program focused on the care and empowerment of girls. The unspent amount has been transferred to a designated CSR Unspent Account in accordance with the provisions of the Companies Act, 2013.

In case of S.135(6) other than Ongoing Project

Opening Balance	Amount Deposited in specified fund of Sch VII withing 6 months	Amount Required to be spent during the year	Amount Spent During the year	Closing Balance
-	-	-	-	-

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g) Details of Ongoing Project and other than ongoing project 31 March 2024

In case of S.135(6) Ongoing Project

Opening Balance as at 1 April 2023		Amount Required to be spent during the year	Amount Spent During The Year		Closing Balance as at 31st March 2024	
With Company	In seperate CSR Unspent A/c		From Company's Bank A/c	From Seperate CSR Unspent A/c	With Company	In seperate CSR Unspent A/c
-	73	132	-	73	-	132

In case of S.135(6) other than Ongoing Project

Opening Balance	Amount Deposited in specified fund of Sch VII withing 6 months	Amount Required to be spent during the year	Amount Spent During the year	Closing Balance
-	-	-	-	-

46 During the financial year 2024–25, the Company has observed a higher-than-usual level of observed default rates (ODRs) across certain geographies of our portfolio. These elevated ODRs were largely driven by external macroeconomic factors and transient sectoral stresses that affected borrower performance during the reporting period.
While the Company has noted early signs of stabilization in the most recent quarters, and forward-looking indicators suggest a gradual normalization, the Company believes it remains prudent from a risk management and provisioning standpoint to continue maintaining a management overlay of Rs. 4,098 lakhs (FY 2023-24 Rs. 19,966 lakhs).

47 Dividend on Compulsorily Convertible Non-Cumulative Preference Shares

i. Dividend for FY 2023–24
The Board of Directors had declared an interim dividend of 5% on Compulsorily Convertible Non-Cumulative Preference Shares (CCPS), which are classified as equity in accordance with Ind AS 32 – Financial Instruments: Presentation, for the financial year ended 31 March 2024, the total dividend payout amounted to Rs.5,229 lakhs. The payment was made during the financial year 2024–25.

ii. Dividend for FY 2024–25 (First Interim Dividend)
In the meeting held on 28 October 2024, the Board declared an interim dividend of 5% on CCPS for the period 1 April 2024 to 30 October 2024 the total payout amounted to Rs.5,121 lakhs.

iii. Dividend for FY 2024–25 (Second Interim Dividend)
The Board of Directors, in their meeting held on 9 January 2025, declared a second interim dividend of 5% on CCPS for the period 1 November 2024 to 8 January 2025, the total payout amounted to Rs. 738 lakhs

48 The Board of Directors of the Company at their meeting held on November 6, 2024 have inter-alia, considered and approved the draft Scheme of Amalgamation ("Scheme") between Svatantra Holdings Private Limited ('First Transferor Company'), Chaitanya India Fin Credit Private Limited ('Second Transferor Company') and Svatantra Microfin Private Limited ('Transferee Company' or 'the Company') and their respective shareholders under sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013. The Scheme is subject to the receipt of necessary approvals from the statutory and regulatory authorities, as may be necessary.
The BSE Limited vide its letter dated February 6, 2025 bearing number DCS/AMAL/TS/REG59A/3514/2024-25 has issued Observation Letter with 'no adverse observations' on the Scheme of Amalgamation and the Company has also obtained the necessary approval from Competition Commission of India (CCI) vide letter no. C-2024/12/1226 dated February 18, 2025. The Company has filed an application with RBI seeking its approval for the proposed amalgamation on January 30, 2025 and with NCLT on March 3, 2025. The first motion application was heard by the Hon'ble NCLT, Mumbai Bench on May 6, 2025 seeking direction for holding meetings of Debenture holders and creditors for obtaining their approval towards proposed Scheme of Amalgamation and it is reserved for the order.

49 Details of Benami Property held
There are NIL proceedings have initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

50 Wilful Defaulter:
The Company is not declared as wilful defaulter by any bank or financial institution or other lender during the financial year 2024-25 and 2023-24.

51 Relationship with struck off companies
The Company has reviewed transactions to identify if there are any transactions with struck off companies. To the extent information is available on struck off companies, there are no transactions with struck off companies.

52 Registration of charges or satisfaction with Registrar of Companies (ROC)
All charges or satisfaction are registered with ROC within statutory period by the Company

53 Compliance with number of layers of companies
The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017

54 Compliance with approved Scheme(s) of Arrangements
During the Financial year 2024-2025 the company does not have any Scheme of Arrangements in terms of sections 230 to 237 of the Companies Act, 2013

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55 Utilisation of Borrowed funds and share premium:

During the Financial year 2024-2025

Other than the transactions that are carried out as part of Company's normal lending business:

A) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall-

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

B) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall -

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

56 Undisclosed income

The Company did not have any undisclosed income during in tax assessments during the financial year 2024-2025 under the Income Tax Act, 1961

57 Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year 2024-2025 and 2024-2023.

58 The company has reclassified / regrouped the following pervious years figures to confirm the current years classification:

1. Interest accrued on borrowings amounting to Rs. 2163 lakh, which was presented under Other Financial Liabilities, has now been classified under Debt Securities, Borrowings other than Debt Securities, and Subordinated Liabilities, as applicable.
2. Receivables from insurance companies amounting to Rs. 800 lakh, which were disclosed under Receivables, have now been presented under Other Financial Assets.
3. Advances to employees relating to petty cash expenses amounting to Rs. 92 lakh, earlier included under Cash and Cash Equivalents, have now been reclassified under Other Non-Financial Assets.
4. Investment in security receipts (net of impairment) amounting to Nil, which was shown under Investments, has now been presented under Loans.

The management believes that these reclassifications do not have a material impact on the information presented in the balance sheet as at the beginning of the preceding period, i.e., 1 April 2023. Accordingly, a third balance sheet has not been presented in these financial statements.

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Disclosures pursuant to the RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 on Scale Based Regulation (SBR), as amended from time to time.

59 Comparison between IRACP and impairment allowance made under IND AS 109

Loan Classification as at 31 March 2025

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Performing assets						
	Stage 1	5,96,855	20,826	5,76,029	2,413	18,413
	Stage 2	8,962	5,696	3,266	35	5,661
Subtotal		**6,05,817**	**26,522**	**5,79,295**	**2,448**	**24,074**
Non performing assets						
More than 90 days	Stage 3	18,559	15,153	3,406	6,302	8,851
Subtotal of doubtful		**18,559**	**15,153**	**3,406**	**6,302**	**8,851**
Total	Stage 1	5,96,855	20,826	5,76,029	2,413	18,413
	Stage 2	8,962	5,696	3,266	35	5,661
	Stage 3	18,559	15,153	3,406	6,302	8,851
Total		**6,24,376**	**41,675**	**5,82,701**	**8,750**	**32,925**

Loan Classification as at 31 March 2024

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Performing assets						
	Stage 1	6,63,075	26,554	6,36,521	2,608	23,946
	Stage 2	5,351	4,020	1,331	20	4,000
Subtotal		**6,68,426**	**30,574**	**6,37,852**	**2,628**	**27,945**
Non performing assets						
More than 90 days	Stage 3	22,589	20,162	2,427	12,017	8,145
Subtotal of doubtful		**22,589**	**20,162**	**2,427**	**12,017**	**8,145**
Total	Stage 1	6,63,075	26,554	6,36,521	2,608	23,946
	Stage 2	5,351	4,020	1,331	20	4,000
	Stage 3	22,589	20,162	2,427	12,017	8,145
Total		**6,91,015**	**50,736**	**6,40,279**	**14,645**	**36,091**

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60 Liquidity Coverage Ratio (LCR)

Disclosure of Liquidity Risk Management as per Master Direction — Reserve Bank of India (Non-Banking Financial Company — Scale Based Regulation) Directions, 2023 dated October 19, 2023

Particulars	Quarter 30 June 2024		Quarter 30 September 2024		Quarter December 2024		Quarter 31 March 2025	
	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets								
**Total High Quality Liquid Assets (HQLA)	41,635	41,635	47,288	47,288	70,832	70,832	32,736	32,736
Cash Outflows								
Deposits (for deposit taking companies)			-	-	-	-	-	-
Unsecured funding and Secured funding	38,579	44,365	44,446	51,113	42,595	48,985	37,149	42,721
Additional requirements, of which								
Outflows related to derivative exposures and other collateral requirements			-	-	-	-	-	-
Outflows related to loss of funding on debt products			-	-	-	-	-	-
Credit and liquidity facilities			-	-	-	-	-	-
Other contractual funding obligations	17,925	20,614	14,520	16,698	24,651	28,348	20,117	23,134
Other contingent funding obligations	-	-	-	-	-	-	-	-
Operational Expenses	-	-	-	-	-	-	-	-
Total Cash Outflows	**56,504**	**64,979**	**58,966**	**67,811**	**67,246**	**77,333**	**57,266**	**65,855**
Cash Inflows								
Secured lending			-	-	-	-	-	-
Inflows from fully performing exposures	56,293	42,220	56,083	42,062	57,605	43,204	55,081	41,311
Other cash inflows	2,278	1,708	2,889	2,166	29,167	21,875	2,344	1,758
Total Cash Inflows	**58,571**	**43,928**	**58,972**	**44,228**	**86,772**	**65,079**	**57,425**	**43,069**
Total HQLA	-	41,635	-	47,288	-	70,832	-	32,736
Total Net Cash Outflows	-	21,051	-	23,583	-	19,334	-	22,787
Liquidity Coverage Ratio (%)		197.78%		200.52%		366.37%		143.66%

**HQLA comprises of Cash and Fixed Deposit.

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Liquidity Coverage Ratio (LCR)

Particulars	Quarter 30 June 2023		Quarter 30 September 2023		Quarter December 2023		Quarter 31 March 2024	
	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets								
**Total High Quality Liquid Assets (HQLA)	88,330	88,330	33,307	33,307	37,972	37,972	1,04,723	1,04,723
Cash Outflows	-				-		-	-
Deposits (for deposit taking companies)	-	-			-		-	-
Unsecured funding and Secured funding	38,433	44,198	38,124	43,842	41,935	48,225	42,104	48,420
Additional requirements, of which	-	-	-	-	-	-	-	-
Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
Credit and liquidity facilities	-	-	-	-	-	-	-	-
Other contractual funding obligations	10,928	12,567	11,519	13,247	11,329	13,028	13,599	15,639
Other contingent funding obligations	7,889	9,072	5,778	6,644	4,667	5,367	3,111	3,578
Operational Expenses	3,000	3,450	3,000	3,450	3,000	3,450	3,500	4,025
Total Cash Outflows	**60,250**	**69,287**	**58,421**	**67,183**	**60,930**	**70,070**	**62,314**	**71,662**
Cash Inflows								
Secured lending								
Inflows from fully performing exposures	54,046	40,535	56,584	42,438	56,198	42,149	57,077	42,808
Other cash inflows	-	-	-	-	-	-		
Total Cash Inflows	**54,046**	**40,535**	**56,584**	**42,438**	**56,198**	**42,149**	**57,077**	**42,808**
Total HQLA	-	88,330		33,307		37,972	-	1,04,723
Total Net Cash Outflows	-	28,752		24,745		27,921	-	28,854
Liquidity Coverage Ratio (%)		307.21%		134.60%		135.99%		362.94%

**HQLA comprises of Cash and Fixed Deposit.

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61 Capital to risk assets ratio ('CRAR')

The following table sets forth, for the periods indicated, the details of capital to risk assets ratio under RBI Guidelines:

Particulars	As at 31 March 2025	As at 31 March 2024
i) CRAR (%)	29.61%	18.54%
ii) CRAR – Tier I Capital (%)	26.00%	13.87%
iii) CRAR – Tier II Capital (%)	3.61%	4.67%
iv) Amount of subordinated debt as Tier - II debt	15,591	23,519
v) Amount raised by issue of Perpetual Debt Instruments	Nil	Nil

62 Investments

Particulars	As at 31 March 2025	As at 31 March 2024
1. Value of investments		
i) Gross value of investments		
a) in India	1,73,790	1,55,598
b) outside India	-	-
ii) Provision for depreciation		
a) in India	-	-
b) outside India	-	-
iii) Net value of Investments		
a) in India	1,73,790	1,55,598
b) outside India	-	-
2. Movement of provision held towards depreciation on investments		
(i) Opening balance	-	-
(ii) Add : Provisions made during the year	-	-
(iii) Less: Write-off / write-back of excess provision	-	-
(iv) Closing balance	-	-

63 Derivatives

a) Forward Rate Agreement (FRA) / Cross currency swaps

Particulars	As at 31 March 2025	As at 31 March 2024
The notional principal of swap agreements	16,118	-
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) (net)	540	-

* Concentration of credit risk arising from swaps with banks.

The company has hedged its foreign currency borrowings through cross currency swap for accounting policy and risk management policy refer note 4

b) Exchange Traded Interest Rate (IR) Derivatives

- The Company has not traded in exchange traded interest rate derivatives during the current and previous year.

c) Disclosure on risk exposure in derivatives

i) Qualitative Disclosure

1) The Company has fully hedged the risk on account of foreign currency fluctuation towards external commercial borrowing;

2) The Company has put in place a reporting and monitoring mechanism for the risk associated with the derivative transaction;

3) The Company has put in place accounting policy covering recording of hedge and non-hedge transactions, recognition of income, premiums and discounts; valuation of outstanding contracts; provisioning and credit risk mitigation.

ii) Quantitative Disclosure

Particulars	As at 31 March 2025		As at 31 March 2024	
	Currency derivative*	Interest rate Derivatives	Currency derivative	Interest rate Derivatives
Derivatives (Notional Principal Amount) for hedging	16,118	-	-	-
Marked to Market Positions				
a) Asset	540	-	-	-
b) Liability	-	-	-	-
Credit Exposure	-	-	-	-
Unhedged Exposures	-	-	-	-

* Cross currency swaps

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64 Asset Liability Management

Maturity pattern of certain items of Assets and Liabilities as of 31 March 2025

Particulars	Deposits	Advances	Investments	Stock of securities	Borrowings	Foreign Currency liability
1 day to 7 days	-	32,191	500	-	696	-
8 day to 14 days	-	13,324	-	-	14,509	-
15 day to 30/31 days	-	116	-	-	10,431	-
Over one month to 2 months	-	36,084	-	-	34,096	191
Over 2 months up to 3 months	-	34,865	-	-	25,540	-
Over 3 months to 6 months	-	1,00,535	-	-	86,447	2,414
Over 6 months to 1 year	-	1,77,298	-	-	1,24,356	6,640
Over 1 year to 3 years	-	1,84,882	-	-	1,59,675	6,940
Over 3 years to 5 years	-	3,406	-	-	4,865	-
Over 5 years	-	-	1,73,290	-	-	-
Total	**-**	**5,82,701**	**1,73,790**	**-**	**4,60,615**	**16,185**

Maturity pattern of certain items of Assets and Liabilities as of 31 March 2024

Particulars	Deposits	Advances	Investments	Stock of securities	Borrowings	Foreign Currency liability
1 day to 7 days	-	24,853	-	-	6,156	-
8 day to 14 days	-	10,291	-	-	13,581	-
15 day to 30/31 days	-	76	-	-	11,357	-
Over one month to 2 months	-	36,566	-	-	29,640	-
Over 2 months up to 3 months	-	36,687	-	-	41,894	-
Over 3 months to 6 months	-	1,08,666	-	-	1,06,995	-
Over 6 months to 1 year	-	1,77,257	-	-	1,52,793	1,805
Over 1 year to 3 years	-	2,45,869	-	-	2,55,592	12,069
Over 3 years to 5 years	-	14	-	-	33,052	3,430
Over 5 years	-		1,55,598	-	-	-
Total	**-**	**6,40,279**	**1,55,598**	**-**	**6,51,060**	**17,304**

65 Disclosures relating to Direct Assignment and Securitization and Asset Reconstruction

65.1 Details of loan transferred/ acquired during the year ended 31 March 2025 under the RBI master Direction on transfer of loan exposure vide circular no. RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22, Dt. 24 September 2021 are given below:

i **Detail of transfer through Direct assignment in respect of loans not in default during the financial year 2024-2025.**

Particular	For the year ended 31 March 2025	For the year ended 31 March 2024
Number of Loans	3,53,214	3,76,145
Aggregate Amount	1,30,012	1,21,528
Sale Consideration	1,17,010	1,09,375
Number of transactions	6	6
Weighted Average remaining maturity (Month)	17	16
Weighted Average holding period after origination (Month)	7	8
Retention of beneficial economic interest	10%	10%
Coverage of tangible security coverage	-	-
Rating wise distribution of rated loans	-	-
Number of instances (transactions) where transferred as agreed to replace the transferred loans	-	-
Number of transferred loans replaced	-	-

ii The Company has not transferred any non performing assets (NPAs).
iii The Company has not acquired any loans through Direct assignment.
iv The Company has not acquired any stressed loan.

65.2 Disclosures relating to Assignment transaction

During the year, the Company has entered into Direct Assignment ("DA") with banks ("Assignee") for direct assignment of its portfolio loans provided to various persons from time to time ("Receivables"). This has been duly approved by Board of Directors. Pursuant to this, following transactions have taken place during the year :

Particulars	As at 31 March 2025	As at 31 March 2024
Total sanctioned receivables	1,30,012	1,21,528
No of accounts (Nos.)	3,53,214	3,76,145
Receivables assigned during the year	1,30,012	1,21,528
Minimum retention reserve for the Company	13,002	12,153
Payment made by Assignee for their purchased share	1,17,010	1,09,375
Net gain on derecognition of financial instruments under amortized cost category	13,051	11,772
Additional consideration realized in respect of accounts transferred in earlier years	-	-
Aggregate gain / loss over net book value	-	-

65.3 Securitisation

Securitised assets as per the books of SPVs sponsored by the NBFC
Nil during the year ended March 31, 2025 (March 31, 2024: Nil)

Additional disclosures pursuant to the RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 on Scale Based Regulation (SBR), as amended from time to time.

66 Disclosure on Liquidity Risk

i) Funding Concentration based on significant counterparty

Particulars	As at 31 March 2025	As at 31 March 2024
Number of Significant Counterparties	23	25
Rs. In lakhs	4,51,006	6,03,965
% of Total Deposits	NA	NA
% of Total Liabilities	90.94%	88.35%

Notes:
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 total liabilities of the Company.
Total Liabilities has been computed as Total Assets less total equity.

ii) Top 20 large deposits (amount in lakhs and % of total deposits) - Not Applicable

iii) Top 10 borrowings

Particulars	As at 31 March 2025		As at 31 March 2024	
	Amount	% of Total Borrowings	Amount	% of Total Borrowings
Top 10 borrowings	3,30,390	69.29%	3,96,386	59.50%

iv) Funding Concentration based on significant instrument / Product

Name of the Instrument/Product	As at 31 March 2025		As at 31 March 2024	
	Amount	% of Total Liabilities	Amount	% of Total Liabilities
Term Loan	3,95,301	79.70%	5,52,985	80.89%
Debt Securities	-	0.00%	5,000	0.73%
Subordinated liabilities	39,519	7.97%	39,304	5.75%
External Commercial Borrowing (ECB)	16,185	3.26%	12,322	1.80%

Note:
A "Significant instrument/product" is defined as a single instrument accounting in aggregate for more than 1% of the NBFC-NDSI's total liabilities.

v) Stock Ratios:

Stock Ratio	As at 31 March 2025	As at 31 March 2024
	%	%
i) Non-convertible debentures (original maturity of less than one year) as a % of total liabilities	-	-
ii) Non-convertible debentures (original maturity of less than one year) as a % of total assets	-	-
iii)Other short-term liabilities as a % of total Public funds	73.43%	56.41%
iv) Other short-term liabilities as a % of total liabilities	70.60%	55.15%
v) Other short-term liabilities as a % of total assets	42.14%	40.53%

Note:
Other Short-term Liabilities has been computed as Total Short-term Liabilities less Commercial paper less Non-convertible debentures (Original maturity of less than one year).

vi) Institutional set-up for Liquidity Risk Management
The Board of Directors of the Company has an overall responsibility and oversight for the management of all the risks, including liquidity risk, to which the Company is exposed to in the course of conducting its business.

The Board of Directors approves the constitution of the Risk Management Committee (RMC) for the effective supervision, evaluation, monitoring and review of various aspects and types of risks, including liquidity risk faced by the Company. The RMC meets as and when required to review and monitor the risks associated with the business of the Company.
The Board of Directors has also constituted Asset Liability Committee (ALCO), which address concerns regarding Asset Liability mismatches of the Company from risk-return perspective and within the risk appetite and guard-rails approved by the Board.

The main objective of ALCO is to address concerns regarding asset liability mismatches, achieving optimal return on capital employed while maintaining acceptable levels of risk relating to liquidity, address concerns regarding interest rate risk exposure and to do such other acts, deeds and things as may be directed by the Board and required to comply with the applicable laws. ALCO meetings are held at regular intervals and the minutes of the meeting is placed before the Board of Directors for its perusal/ratification.

67 Exposures

67.1 Exposures to Real Estate Sector
The Company has no exposure to the real estate directly or indirectly in the current and previous financial year.

67.2 Exposures to Capital Market
The Company has no exposure to the capital market directly or indirectly in the current and previous financial year.

68 Details of financing of parent company products
The Company was not involved in the financing of Parent Company products.

69 Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC
The Company has not exceeded the prudential exposure limits during the current and previous financial year.

70 Unsecured Advances
Refer "Note 6" of standalone Financial statements.

71 The Company is a non-listed NBFC and the Corporate Governance Disclosure is covered under the corporate governance/ appropriate section of the Annual Report in accordance with requirements of SEBI (LODR) Regulations, 2015

72 The Company has complied with the covenants under the term of the borrowing facilities through out the reporting period.

73 There are no divergences in the asset classification and provisioning requirements as assessed by RBI during the current and previous financial year end.

74 Miscellaneous

74.1 Related party disclosures

Related Party	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures		Directors		Relatives of Directors		Other Key Management Personnel		Relatives of Other Key Management Personnel		Others		Total	
Particulars	**Mar-25**	**Mar-24**	**Mar-25**	**Mar-24**	**Mar-25**	**Mar-24**	**Mar-25**	**Mar-24**	**Mar-25**	**Mar-24**	**Mar-25**	**Mar-24**	**Mar-25**	**Mar-24**	**Mar-25**	**Mar-24**	**Mar-25**	**Mar-24**
Borrowings																		
Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits																		
Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of deposits																		
Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances																		
Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments																		
Outstanding	-	-	1,73,290	1,55,598	-	-	-	-	-	-	-	-	-	-	-	-	1,73,290	1,55,598
Maximum during the year	-	-	1,73,290	1,55,598	-	-	-	-	-	-	-	-	-	-	-	-	1,73,290	1,55,598
Other Outstanding	-	-	24	-	-	-	-	-	-	-	-	-	-	-	-	-	24	-
Purchase of fixed/ other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intercompany Cross charge for procurement	-	-	22	-	-	-	-	-	-	-	-	-	-	-	-	-	22	-
- Remuneration	-	-	-	-	-	-	-	-	-	-	228	265	-	-	-	-	228	265
- Sitting fees	-	-	-	-	-	-	18	7	-	-	-	-	-	-	-	-	18	7
- Income cross charged	-	-	27	-	-	-	-	-	-	-	-	-	-	-	-	-	27	-
- Expenditure cross charged	-	-	48	-	-	-	-	-	-	-	-	-	-	-	-	-	48	-
- Investment in subsidiary	-	-	17,692	-	-	-	-	-	-	-	-	-	-	-	-	-	17,692	-
Service fee income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7	-	7	-
CSR Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	187	40	187	40
- Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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Additional disclosures pursuant to the RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 on Scale Based Regulation (SBR), as amended from time to time.

74.2 Ratings assigned and migration of ratings during the year

During the current year, the credit rating agencies have assigned the following credit ratings to the Company:

Particulars	Current Rating	Previous rating
a) MFI Grading	M1 (SMERA)	M1 (SMERA)
b) Bank loan rating	CRISIL AA - (Stable)	CRISIL AA - (Stable)
c) Bank loan rating	CARE AA - (Stable)	CARE AA - (Stable)
d) Subordinated Debt of INR 165 Crores	CRISIL AA - (Stable)	CRISIL AA - (Stable)
e) Subordinated Debt of INR 125 Crores	CRISIL AA - (Stable)	CRISIL AA - (Stable)
f) NCD of INR 350 Crores	Withdrawn	CRISIL AA - (Stable)
g) Short Term Debt of INR. 100 Crore	CRISIL A1+	CRISIL A1+
h) Subordinated Debt of INR 75 Crores	CRISIL AA - (Stable)	CRISIL AA - (Stable)
i) NCD of INR 100 Crores	CARE AA - (Stable)	CARE AA - (Stable)
j) Subordinated Debt of INR 50 Crores	CRISIL AA - (Stable)	CRISIL AA - (Stable)
k) Commercial paper of INR 700 Crores	CRISIL A1+	CRISIL A1+

74.3 Remuneration of Directors

Name of the directors	As at 31 March 2025	As at 31 March 2024
Shankar Girija Natarajan	9	4
Meena Jagtiani	9	3

74.4 Net Profit or Loss for the year, prior period items and changes in accounting policies

There is no change in accounting policies during the financial year 2024-2025. There are no prior period items which are impacting company's current year profit and loss.

74.5 Revenue Recognition

There are no such circumstances in which revenue recognition has been postponed pending the resolution of significant uncertainties.

74.6 Ind AS 110 -Consolidated Financial Statements (CFS)

The Company has acquired a 100% stake in Chaitanya India Fin Credit Private Limited ("the Subsidiary Company") effective 23 November 2023. There have been no material or exceptional transactions during this period that could materially impact the consolidated financial statements.
Further, the Company has invested in the right issue of equity shares of its wholly owned subsidiary, Chaitanya India Fin Credit Private Limited (CIFCPL). Pursuant to the right issue offer made by CIFCPL, the Company has subscribed to 2,20,73,333 equity shares of INR 10/- each, at a premium of INR 70.15/- per share. The total investment amounted INR 176.91.77 lakhs. The equity shares were allotted by CIFCPL to the Company on 16th December 2024.

75 Additional Disclosures

75.1 Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	For the year ended 31 March 2025	For the year ended 31 March 2024
i) Provision towards standard asset*	(4,052)	7,190
ii) Provision for non-performing assets**	(5,009)	(1,264)
iii) Provision made towards Income tax (Including deferred tax and earlier period tax adjustments)	5,055	6,944
iv) Other provision and contingencies (employee benefits)	504	610
v) Provision on other assets	649	79

* represents impairment loss allowance (reversal) on stage 1 and stage 2 assets
** represents impairment loss allowance (reversal) on stage 3 assets

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Additional disclosures pursuant to the RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 on Scale Based Regulation (SBR), as amended from time to time.

75.2 Draw Down from Reserves

There have been no drawdown from Reserves during the current and previous financial years

75.3 Concentration of Advances, Exposures and NPAs

Concentration of Advances	As at 31 March 2025	As at 31 March 2024
Total Advances to twenty largest borrowers	50	50
Percentage of advances to twenty largest borrowers to Total advances of applicable NBFC	0.01%	0.01%

Concentration of Exposures	As at 31 March 2025	As at 31 March 2024
Total Exposure to twenty largest borrowers / customers (Including interest accrued and due)	51	50
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	0.01%	0.01%

Concentration of NPAs	As at 31 March 2025	As at 31 March 2024
Total Exposure to top four NPA accounts	8	6

75.4 Movement of NPAs

Particulars	As at 31 March 2025	As at 31 March 2024
(i) Net NPAs to Net Advances (%)	0.58%	0.38%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	22,589	33,592
(b) Additions during the year	37,932	24,350
(c) Reduction/write off during the year	(41,962)	(35,353)
(d) Closing balance	18,559	22,589
(iii) Movement of NPAs (Net)		
(a) Opening balance	2,426	12,165
(b) Additions during the year	21,367	17,253
(c) Reduction/write off during the year	(20,387)	(26,992)
(d) Closing balance	3,406	2,426
(iv) Movement of provisions for NPAs (excluding provision on standard assets)		
(a) Opening balance	20,162	21,426
(b) Additions during the year	16,565	7,097
(c) Reduction/write off during the year	(21,574)	(8,361)
(d) Closing balance	15,153	20,162

75.5 Overseas Assets

The Company does not have any subsidiary and joint venture abroad.

75.6 Off-Balance Sheet SPVs sponsored

There are no off-balance sheet SPVs sponsored by the Company.





Additional disclosures pursuant to the RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 on Scale Based Regulation (SBR), as amended from time to time.

75.7 Customer Complaints

i. **Summary information on complaints received by the Company from customers and from the Offices of Ombudsman**

Particulars	As at 31 March 2025	As at 31 March 2024
Complaints received by the Company from its customers	-	-
1. Number of complaints pending at the beginning of the year	23	1
2. Number of complaints received during the year	2405	420
3. Number of complaints disposed during the year	2340	398
3.1 Of which, number of complaints rejected by the Company	845	208
4. Number of complaints pending at the end of the year	88	23
Maintainable complaints received by the Company from Office of Ombudsman		
5. Number of maintainable complaints received by the Company from Office of Ombudsman	2	4
5.1 Of 5, number of complaints resolved in favour of the Company by Office of Ombudsman	2	4
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 Company	-	-
6. Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously The Ombudsman Scheme for Non-Banking Financial Companies, 2018) and covered within the ambit of the scheme.

ii. **Top five grounds of complaints received by the Company from customers**

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the	% 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
		For the year ended 31 March 2025			
1.Staff behaviour (employee coordination with client)	5	401	132%	7	-
2.Transaction related (EMI, foreclosure, etc)	14	505	146%	25	-
3.Insurance related (settlement)	4	919	3729%	27	-
4.Loan related (excess interest charged, amount wrongly credited, closure etc)	-	121	1917%	7	-
5.CIC data updation	-	349	6880%	19	-
6.Others	-	110	1471%	3	-
Total	**23**	**2405**		**88**	-
		For the year ended 31 March 2024			
1.Staff behaviour (employee coordination with client)	-	173	1231%	5	-
2.Transaction related (EMI, foreclosure, etc)	-	205	2178%	14	-
3.Insurance related (settlement)	1	24	380%	4	-
4.Loan related (excess interest charged, amount wrongly credited, closure etc)	-	6	50%	-	-
5.CIC data updation	-	5	400%	-	-
6.Others	-	7	0%		
Total	**1**	**420**		**23**	-

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Additional disclosures pursuant to the RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 on Scale Based Regulation (SBR), as amended from time to time.

76 Disclosure of frauds reported during the year ended 31 March 2025

Particulars	No. of cases	Amount of fraud	Recovery	Pending Settlement	Amount written-of
A) Person Involved					
Staff	127	33	20	13	Nil
Customers	-	-	-	-	-
Staff and Customers	-	-	-	-	-
Outsider	-	-	-	-	-
B) Type of Fraud					
Misappropriation and Criminal Breach of Trust	127	33	20	13	Nil
Fraudulent Encashment/ Manipulation of books of accounts	-	-	-	-	-
Unauthorized Credit/ Facility extended	-	-	-	-	-
Negligence and cash shortages	-	-	-	-	-
Cheating and Forgery	-	-	-	-	-
Others	-	-	-	-	-

Disclosure of frauds reported during the year ended 31 March 2024

Particulars	No. of cases	Amount of fraud	Recovery	Pending Settlement	Amount written-of
A) Person Involved					
Staff	537	88	51	37	Nil
Customers	-	-	-	-	-
Staff and Customers	-	-	-	-	-
Outsider	-	-	-	-	-
B) Type of Fraud					
Misappropriation and Criminal Breach of Trust	535	68	45	23	Nil
Fraudulent Encashment/ Manipulation of books of accounts	-	-	-	-	-
Unauthorized Credit/ Facility extended	-	-	-	-	-
Negligence and cash shortages	-	-	-	-	-
Cheating and Forgery	2	20	6	14	-
Others	-	-	-	-	-

77 Sectoral Exposure

Sectors	As at 31 March 2025			As at 31 March 2024		
	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1.Agriculture and Allied Activities	4,66,783	12,841	2.8%	5,16,625	16,387	3.2%
2.Manufacturing/Production/Transportation	10,595	347	3.3%	13,236	335	2.5%
3.Services(Micro activities and Essential Services)	84,593	3,388	4.0%	1,33,083	3,277	2.5%
4. Personal loans	5,670	25	0.4%	1,413	37	2.6%
5. Others	56,735	1,958	3.5%	26,658	2,553	9.6%

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SVATANTRA MICROFIN PRIVATE LIMITED ★ MUMBAI

Additional disclosures pursuant to the RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 on Scale Based Regulation (SBR), as amended from time to time.

77.1 Loans to Directors, senior officers and relatives of Directors

	As at 31 March 2025	As at 31 March 2024
Directors and their relatives	-	-
Entities associated with directors and their relatives	-	-
Senior officers and their relatives	-	-

78 The Company has no unhedged foreign currency exposure as on March 31, 2025 (March 31, 2024: Nil).

79 The Company has no intra-group exposure in the current and previous financial year end.

80 There were no loans given against the collateral of gold jewellery

81 The company has not conducted any gold auction during the year

82 The Company has obtained an exemption from the Reserve Bank of India (RBI) with respect to maintaining the prescribed qualifying asset criterion of 75% (pertaining to microfinance loans) on a standalone basis. This exemption is valid until the completion of the merger of Chaitanya India Fin Credit Private Limited (CIFCPL), a subsidiary company, with the Company or until 31 March 2026, whichever is earlier, as per RBI letter no. CO.DOR.SIG.No.S5552/03-10-001/2024-2025 dated 13 December 2024.

83 Registration obtained from other financial sector regulators

Regulator	Registration Number	Date of Registration
Insurance Regulatory and Development Authority of India	CA0945	04-06-2024

84 Disclosure of penalties imposed by RBI and other regulators
No penalty imposed by RBI and other regulators during the current and previous financial year.

85 Proper books of account as required by law have been kept by the Company. Back-up of the books of account and papers maintained in electronic mode is maintained on servers physically located in India on a daily basis.

86 The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, i) in respect of software used for general ledger and loan management, the audit trail feature is not enabled for direct changes to data when using certain access rights till June 2024 and post which it has been recorded through PAM system (Privilege Access Management) in the form of video logs and ii) in respect of certain software for loan origination, the audit trail feature is not enabled for direct changes to data when using certain access rights.
Further, there has been no instance of audit trail feature being tampered with wherever it has been enabled. Additionally, the Company has preserved audit trail in respect of the financial years ended March 31, 2024 and March 31, 2025 to the extent it was enabled and recorded in respect of those years.

87 The disclosure as required by virtue of RBI Master Direction (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, dated 19th October, 2023 is given in "Annexure I".

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

As per our report of even date attached
S.R. Batliboi & Co. LLP
Chartered Accountants
Firm's Reg. No.: 301003E/E300005

per Rutushtra Patell
Partner
Membership No. 123596
Place : Mumbai
Date : 29 May 2025

For and on behalf of the Board of Directors of
Svatantra Microfin Private Limited

Ananyashree Birla
Director
DIN No. 06625036
Place : Mumbai
Date : 29 May 2025

Vineet Bijendra Chattree
Director
DIN No. 07962531
Place : Mumbai
Date : 29 May 2025

Vrushali Mahajan
Chief Financial Officer
Place : Mumbai
Date : 29 May 2025

Surinder Kumar Bhatia
Company Secretary
Membership No. 17227
Place : Mumbai
Date : 29 May 2025

"Annexure I"

Svatantra Microfin Private Limited

Schedule to the Balance Sheet of a non deposit taking non banking financial company as on 31 March 2025

Disclosure as required by virtue of RBI Master Direction (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, dated 19th October, 2023

	Particulars		(Amount Rupees in Lakhs)	
	Liabilities side			
(1)	Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid		Amount outstanding	Amount Overdue
	(a)	Debentures		
		Secured	-	Nil
		Unsecured (Other than falling within the meaning of public deposits*)	-	Nil
	(b)	Deferred credits	Nil	Nil
	(c)	Term loans	4,35,790	Nil
	(d)	Inter - corporate loans and borrowings	-	Nil
	(e)	Commercial Paper	Nil	Nil
	(f)	Public Deposits*	Nil	Nil
	(g)	Other Loans: Subordinated liabilities	41,010	Nil
	*Refer note no. 1 below			
(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	Nil	Nil
	(b)	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	Nil	Nil
	(c)	Other public deposits	Nil	Nil
	* Please see Note 1 below			

	Asset side		Amount outstanding (Rupees in Lakhs)
3	Break up of loans and advances including bills receivables other than those included in (4) below		
		(a) Secured	-
		(b) Unsecured	5,82,701
4	Break up of leased assets and stock on hire and hypothecation loans counting towards AFC activities		
	(i)	Lease assets including lease rentals under sundry debtors :	
		(a) Financial lease	NA
		(b) Operating lease	NA
	(ii)	Stock on the hire including hire charges under sundry debtors :	
		(a) Assets on hire	NA
		(b) Repossessed assets	NA
	(iii)	Other loans counting towards AFC activities	
		(a) Loans where assets have been repossessed	NA
		(b) Loans other than (a) above	NA

SVATANTRA MICROFIN PRIVATE LIMITED MUMBAI

S.R. BATLIBOI & CO. LLP Chartered Accountants MUMBAI 2

5	Break up of investments	Amount outstanding (Rupees in Lakhs)
	Current investments	
1	Quoted	
	(i) Shares	
	(a) Equity	Nil
	(b) Preference	Nil
	(ii) Debentures and bonds	Nil
	(iii) Units of mutual funds	Nil
	(iv) Government securities	Nil
	(v) Others (please specify)	Nil
2	Unquoted	
	(i) Shares	
	(a) Equity	Nil
	(b) Preference	Nil
	(ii) Debentures and bonds	Nil
	(iii) Units of mutual funds	Nil
	(iv) Government securities	Nil
	(v) Others (please specify)	Nil
	Long term investments	
1	**Quoted**	
	(i) Shares	
	(a) Equity	Nil
	(b) Preference	Nil
	(ii) Debentures and bonds	Nil
	(iii) Units of mutual funds	Nil
	(iv) Government securities	Nil
	(v) Others (please specify)	Nil
2	**Unquoted**	
	(i) Shares	
	(a) Equity	1,73,290
	(b) Preference	Nil
	(ii) Debentures and bonds	Nil
	(iii) Units of mutual funds	Nil
	(iv) Government securities	Nil
	(v) Others (please specify)	Nil

6	Borrowers group wise classification of financed as in (3) and (4) above:			
	Category	Amount Net of Provisions (Rupees in Lakhs)		
1	**Related parties**	Secured	Unsecured	Total
(a)	Subsidiaries	Nil	Nil	Nil
(b)	Companies in the same group	Nil	Nil	Nil
(c)	Other related parties	Nil	Nil	Nil
2	**Other than related parties**	Nil	5,82,701	5,82,701
	Total	**Nil**	**5,82,701**	**5,82,701**

7	Investor Group Wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):		
	Catego	Amount outstanding (Rupees in Lakhs)	
		Market value/ break up of fair value or NAV	Book value (net of provision)
1	**Related parties**		
(a)	Subsidiaries	Nil	Nil
(b)	Companies in the same group	Nil	Nil
(c)	Other related parties	Nil	Nil
2	**Other than related parties**	**Nil**	**Nil**
	Total	**Nil**	**Nil**

S.R. BATLIBOI & CO. LLP ★ MUMBAI 1 ★ Chartered Accountants

SVATANTRA MICROFIN PRIVATE LIMITED ★ MUMBAI

8

(Rs. In Lakhs)

Sr. No.	Particulars	As at 31 March 2025
(i)	Gross non-performing assets	
(a)	Related parties	-
(b)	Other than related parties	18,559
(ii)	Net non-performing assets	
(a)	Related parties	-
(b)	Other than related parties	3,406
(iii)	Assets acquired in satisfaction of debts	-

Notes:

1. As defined in point xix of paragraph 3 of Chapter -2 of these Directions.
2. Provisioning norms shall be applicable as prescribed in these Directions.
3. All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above.

For and on behalf of the Board of Directors of
Svatantra Microfin Private Limited

Ananyashree Birla	Vineet Bijendra Chattree	Vrushali Mahajan
Director	Director	Chief Financial Officer
DIN No. 06625036	DIN No. 07962531	Place : Mumbai
Place : Mumbai	Place : Mumbai	Date : 29 May 2025
Date : 29 May 2025	Date : 29 May 2025	

S.R. BATLIBOI & CO. LLP MUMBAI 2 Chartered Accountants

SVATANTRA MICROFIN PRIVATE LIMITED MUMBAI

Surinder Kumar Bhatia
Company Secretary
Membership No. 17227
Place : Mumbai
Date : 29 May 2025

Annexure 8

The Scheme of Amalgamation between Svatantra Holdings Private Limited ("First Transferor Company") and Chaitanya India Fin Credit Private Limited ("Second Transferor Company") with Svatantra Microfin Private Limited ("Transferee Company" and their respective shareholders under sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 ('Scheme')

Present and expected structure of listed Non-convertible Debentures ('NCDs') holding pattern of Svatantra Microfin Private Limited ("Transferee Company") as on 31st December, 2024

Category	Pre/ Present			Post/ Expected		
	No. of NCD/~~NCRPS~~	No. of holders	Percentage %	No. of NCD/~~NCRPS~~	No. of holders	Percentage %
ISIN	**INE00MX08045**			**INE00MX08045**		
Promoter	0	0	0	0	0	0
Public	600	315	100%	600	315	100%
Total	**600**	**315**	**100%**	**600**	**315**	**100%**
ISIN	**N.A.**					
Promoter				0	0	0
Public				500	1	100%
Total				**500**	**1**	**100%**
ISIN	**N.A.**					
Promoter				0	0	0
Public				12,500	12	100%
Total				**12,500**	**12**	**100%**
ISIN	**N.A.**					
Promoter				0	0	0
Public				10,000	1,133	100%
Total				**10,000**	**1,133**	**100%**
ISIN	**N.A.**					
Promoter				0	0	0
Public				2,500	42	100%
Total				**2,500**	**42**	**100%**
ISIN	**N.A.**					
Promoter				0	0	0
Public				2,500	2	100%
Total				**2,500**	**2**	**100%**

ISIN	**N.A.**			
Promoter		0	0	0
Public		8,500	96	100%
Total		**8,500**	**96**	**100%**

Present and expected structure of NCDs holding pattern of Chaitanya India Fin Credit Private Limited ('Second Transferor Company') as on 31st December, 2024

Category	Pre/ Present			Post/ Expected		
	No. of NCD~~/NCRPS~~	No. of holders	Percentage %	No. of NCD~~/NCRPS~~	No. of holders	Percentage%
ISIN	**INE140R08056**			N.A.		
Promoter	0	0	0			
Public	500	1	100%			
Total	**500**	**1**	**100%**			
ISIN	**INE140R08072**			N.A.		
Promoter	0	0	0			
Public	12,500	12	100%			
Total	**12,500**	**12**	**100%**			
ISIN	**INE140R08080**			N.A.		
Promoter	0	0	0			
Public	10,000	1,133	100%			
Total	**10,000**	**1,133**	**100%**			
ISIN	**INE140R07181**			N.A.		
Promoter	0	0	**0**			
Public	2,500	42	100%			
Total	**2,500**	**42**	**100%**			
ISIN	**INE140R08098**			N.A.		
Promoter	0	0	**0**			
Public	2,500	2	100%			
Total	**2,500**	**2**	**100%**			
ISIN	**INE140R08106**			N.A.		
Promoter	0	0	**0**			
Public	8,500	96	100%			
Total	**8,500**	**96**	**100%**			

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To,

The Board of Directors,

Svatantra Microfin Private Limited

Sunshine Tower, Level 20, Senapati Bapat Marg, Elphinstone Road, Mumbai City, Mumbai, Maharashtra, India, 400013

The Board of Directors,

Chaitanya India Fin Credit Private Limited

Sunshine Tower, Level 20, Senapati Bapat Marg, Elphinstone Road, Mumbai City, Mumbai, Maharashtra, India, 400013

Sub: Certificate on adequacy and accuracy of disclosure of information pertaining to the unlisted Company i.e Svatantra Holdings Private Limited (Company) in relation to proposed Amalgamation of Svatantra Holdings Private Limited and Chaitanya India Fin Credit Private Limited(CIFCPL) (Together referred to as "Transferor Companies") with Svatantra Microfin Private Limited(SMPL) ("Transferee Company") under section 230 to 232 of the Companies Act, 2013 and the rules made thereunder ("Scheme").

Dear Sirs,

This is with reference to our engagement letter dated November 1, 2024 for *inter-alia* certifying the accuracy and adequacy of disclosures pertaining to Svatantra Holdings Private Limited made in the abridged prospectus, to be sent to the holders of the Non-Convertible Debt Securities of SMPL and CIFCPL, pursuant to the Scheme.

Pursuant to the directions issued by BSE vide No Objection Certificate bearing reference no. DCS/AMAL/TS/REG59A/3514/2024-25 dated February 6, 2025, it is required to disclose information pertaining to the unlisted company involved in the Scheme in the explanatory statement of the notice accompanying the resolution to be passed, which is being circulated to the holders of Non-Convertible Debt Securities for seeking their approval on the Scheme.

Such disclosure shall be made in the format prescribed for abridged prospectus, as specified under the Securities and Exchange Board of India **("SEBI")** Master Circular vide circular no. SEBI/HO/DDHS/DDHS-PoD-1/P/CIR/2024/48 dated May 21, 2024 (**"SEBI Master Circular")** , and the earlier SEBI circular SEBI/HO/DDHS/PoD1/CIR/P/2023/150 dated September 4, 2023, which prescribes the new format for the abridged prospectus in respect of public issues of Non-Convertible Debt Securities (NCDs) and/or Non-Convertible Redeemable Preference Shares (NCRPS).

Further, as per the SEBI Master Circular, the accuracy and adequacy of the disclosures made in respect of the unlisted entity in the abridged prospectus (as per the above-mentioned format) shall be certified by a SEBI-registered Merchant Banker, after undertaking the requisite due diligence process.

We have been provided the abridged prospectus pertaining to Svatantra Holdings Private Limited (**"Abridged Prospectus**"), enclosed as Annexure 1 dated 26th June, 2025 prepared by the Company. The Abridged Prospectus will be circulated to the holders of the Non-Convertible Debt Securities of SMPL and CIFCPL at the time of seeking their approval to the Scheme as part of the explanatory statement to the notice.

Based on the information, confirmations, undertakings and documents pertaining to Svatantra Holdings Private Limited provided to us, discussions with the officials of the Company and the management confirmations received from Company. We hereby confirm that the information contained in the Abridged Prospectus is accurate and adequate, is in conformity with the format specified for abridged prospectus in the SEBI Master Circular.



Disclaimer and Limitation:

- This certificate is a specific purpose certificate issued in terms of and in compliance with SEBI circular and hence it should not be used for any other purpose. This certificate is based on the information as on date.

- This certificate contains the certification on adequacy and accuracy of disclosure of information pertaining to the unlisted entity viz Svatantra Holdings Private Limited and is not an opinion on the Scheme of Amalgamation or its success.

- The above confirmation is based on the information furnished and explanations provided to us by the management of the Company assuming the same is complete and accurate in all material aspects on an as is basis. We have relied upon the financials, information, undertakings and representations furnished to us on an as is basis and have not carried out an audit of such information. Our scope of work does not constitute an audit of financial information and accordingly we are unable to and do not express an opinion on the fairness of any such financial information referred to in the Abridged Prospectus.

- We shall not be liable for any losses whether financial or otherwise or expenses arising directly or indirectly out of the use of or reliance on the information set out here in this report.

- Our opinions are not nor should it be constructed as our opining or certifying the compliance of the proposed Scheme of Amalgamation with the provision of any law including companies, taxation, Securities market, related laws or as regards any legal implications or issues arising thereon, in their respective jurisdiction except for the purpose expressly mentioned herein.

We express no opinion whatsoever and make no recommendation at all as to the Company's underlying decision to effect the Scheme or as to how the holders of the securities of SMPL and CIFCPL should vote at their respective meetings held in connection with the Scheme. We do not express and should not be deemed to have expressed any views on any other terms of the Scheme or its success. We also express no opinion, and accordingly, accept no responsibility for or as to the price at which the securities of the Transferee Company will trade following the Scheme for or as to the financial performance of the Transferee Company following the consummation of the Scheme. We express no opinion whatsoever and make no recommendations at all (and accordingly take no responsibility) as to whether shareholders/ investors should buy, sell or hold any securities in the Transferor or Transferee Companies.

Inga Ventures Private Limited

Kavita Shah
Partner

Dated: 26th June 2025
Place: Mumbai

ABRIDGED PROSPECTUS

SVATANTRA HOLDINGS PRIVATE LIMITED

THIS ABRIDGED PROSPECTUS CONSISTS OF 13 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.

THIS IS AN ABRIDGED PROSPECTUS CONTAINING INFORMATION PERTAINING TO THE UNLISTED COMPANY I.E. SVATANTRA HOLDINGS PRIVATE LIMITED INVOLVED IN THE SCHEME OF AMALGAMATION (**"SCHEME"**) BETWEEN SVATANTRA HOLDINGS PRIVATE LIMITED **("FIRST TRANSFEROR COMPANY" OR "SHPL" OR "COMPANY")** AND CHAITANYA INDIA FIN CREDIT PRIVATE LIMITED **("SECOND TRANSFEROR COMPANY" OR "CIFCPL")** (TOGETHER REFERRED TO AS **"TRANSFEROR COMPANIES"**) WITH SVATANTRA MICROFIN PRIVATE LIMITED **("TRANSFEREE COMPANY" OR "SMPL")** AND THEIR RESPECTIVE SHAREHOLDERS UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013 READ WITH SECTION 66 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND RULES AND REGULATIONS FRAMED THEREUNDER. THIS DOCUMENT CONTAINS APPLICABLE INFORMATION OF THE UNLISTED COMPANY I.E., SVATANTRA HOLDINGS PRIVATE LIMITED, IN COMPLIANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA ("**SEBI**") MASTER CIRCULAR NO. SEBI/HO/DDHS/DDHS-PoD-1/P/CIR/2024/48 DATED MAY 21, 2024, AS AMENDED, TO THE EXTENT APPLICABLE ("**SEBI MASTER CIRCULAR**") AND SEBI CIRCULAR NO. SEBI/HO/DDHS/PoD1/CIR/P/2023/150 DATED SEPTEMBER 04, 2023, ("**SEBI CIRCULAR 2023**").

This document should be read together with the Scheme and the notice of meeting sent to the holders of Non-Convertible Debt Securities of SMPL and CIFCPL.

You may download the Abridged Prospectus along with the Scheme and other relevant documents from the website of SMPL and CIFCPL at www.svatantramicrofin.com and www.chaitanyaindia.in respectively and BSE Limited ("BSE") at www.bseindia.com, where the Non-Convertible Debt Securities of SMPL and CIFCPL are listed.

This Abridged Prospectus has been prepared to comply with the requirements of Regulation 59A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('**LODR**') read with Para 4 of Part-I (A) of Annex - XII-A of the SEBI Master Circular and in the format specified for Abridged Prospectus as provided in Annex-I of SEBI Circular 2023, to the extent applicable.

SVATANTRA HOLDINGS PRIVATE LIMITED

Date of Incorporation: 11th May 2018
CIN: U67200MH2018PTC309327

Registered Office	Corporate Office	Company Secretary and Compliance Officer	Email and Telephone	Website
213, 2nd Floor, T. V. Industrial Estate, 52, S.K. Ahire Marg, Worli, Mumbai, Maharashtra, India, 400030	213, 2nd Floor, T. V. Industrial Estate, 52, S.K. Ahire Marg, Worli, Mumbai, Maharashtra, India, 400030	Company Secretary: Mr. Vinit Mahendra Tanna	Email: vinit.tanna@svatantra.adityabirla.com Telephone: 022-24952543	Not Applicable

Svatantra Holdings Private Limited

BRIEF DESCRIPTION OF THE ISSUE

As there is no issuance of any non-convertible securities pursuant to the Scheme and no investment by the public is being made in SHPL, hence this clause is not applicable.

• Security Name: NA	• Type of Instrument: NA
• Nature of Instrument (Secured/ Unsecured): NA	• Base Issue Size: NA
• Option to retain oversubscription (Amount): NA	• Face Value: NA
• Details of Coupon/ Dividend (fixed or floating or other structure/rate/ frequency): NA	• Redemption date; Tenor: NA
• Rating of the instrument: NA	• Name of Merchant Banker: NA
• Name of the Debenture Trustee: NA	• Name of Credit Rating Agency: NA
• Issue opening date: NA	• Issue opening date: NA
• Name of the stock Exchange(s) where it will be listed: NA	• Any other information: NA

GENERAL RISKS

Investors are advised to read the section titled "Risk Factors" at page 07 of this Abridged Prospectus carefully before taking a decision in relation to this Scheme. For taking a decision, investors must rely on their own examination of SHPL and the Scheme, including the risks involved. The Abridged Prospectus has not been and will not be approved by any regulatory authority in India, including the Securities and Exchange Board of India ("SEBI"), any Registrar of Companies or any Stock Exchange in India nor does SEBI guarantee the accuracy or adequacy of the contents of this Abridged Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILTY

The First Transferor Company, Second Transferor Company and the Transferee Company, having made all reasonable inquiries, accepts responsibility for and confirms that the Abridged Prospectus does contain and will contain all information with regard to the First Transferor Company and the Scheme, which is material in the context of the Scheme; that the information contained in the Abridged Prospectus will be true and correct in all material respects and is not misleading in any material respect; that the opinions and intentions expressed herein are honestly held and that there are no other material facts, the omission of which makes the Abridged Prospectus as a whole or any such information or the expression of any such opinions or intentions misleading in any material respect at the time of the relevant Scheme.

CREDIT RATING

Name of Credit Rating Agency(ies)	Rating(s) obtained	Date(s) of the press release of the Credit Rating Agency
Not Applicable		

LISTING

Not Applicable

Svatantra Holdings Private Limited

SCHEME DETAILS

The Scheme of Amalgamation between First Transferor Company and Second Transferor Company with Transferee Company and their respective Shareholders is presented under the provisions of Section 230 to 232 read with Section 66 and other relevant provisions of the Companies Act, 2013, as may be applicable, read with Section 2(1B) and other applicable provisions of the Income-tax Act, 1961, the LODR and SEBI Master Circular and the Applicable Law.

The overview of the Scheme is as Follows:

1. This Scheme provides, inter alia, for:
   i. the amalgamation of the Transferor Companies into the Transferee Company and dissolution of the Transferor Companies without winding up and the consequent issuance of the equity shares in accordance with the Equity Share Exchange Ratio and Preference Share Exchange Ratio (as defined hereinafter) to the eligible shareholders of the First Transferor Company, in accordance with the Scheme ('Amalgamation'); and
   ii. various other matters incidental, consequential or otherwise integrally connected therewith, including the increase in the share capital of the Transferee Company,

   pursuant to Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 in the manner provided for in the Scheme and in compliance with the provisions of the Income-tax Act, 1961, the LODR and SEBI Master Circular and the Applicable Law.

2. The Scheme does not involve any compromise or arrangement with the creditors and/ or debenture holders and shall not vary their rights. The Scheme is solely for the purpose of Amalgamation of the Companies and other incidental matters thereto.

3. This Scheme has been drawn up to comply with the conditions specified in section 2(1B) and other relevant provisions of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section and other related provisions at a later date including that resulting from a retrospective amendment of law or for any other reason whatsoever till the time the Scheme becomes effective, the provisions of the said section and other related provisions of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified, unless the Board of Directors of the Transferee Company decides otherwise, to the extent required to comply with Section 2(1B) and other relevant provisions of the Income-tax Act, 1961. Such modification will, however, not affect the other parts of the Scheme.

OBJECTS/ RATIONALE OF THE SCHEME

The Amalgamation of the Transferor Companies into the Transferee Company will *inter alia* result in the following:

a. Enabling geographical diversification of the portfolio, coverage of complementary markets and consumer segments in line with focused strategy of building a comprehensive gross loan portfolio; entering newer markets and driving penetration thereby strengthening the position of being amongst the largest NBFC-MFI in the microfinance market.
b. Simplification of the group structure. Further, pursuant to the Scheme Svatantra Micro Housing Finance Corporation Limited will become a direct wholly owned subsidiary of the Transferee Company.

Svatantra Holdings Private Limited

c. Enabling creation of well diversified and large borrowing book with significantly improvement in portfolio quality and cost efficiencies thereby providing potential and ability to reprice liabilities in the combined entity, generating higher spread for the combined organization.

d. The Amalgamation will create value for and would be in the interest of various stakeholders including shareholders, creditors, debenture holders, customers, and employees as combined entity will benefit from increased scale, product and geographical diversification, stronger balance sheet, availability of talent in financial, managerial and technical resources of the Transferor Companies and the Transferee Company pooled together amongst others, leading to synergies, cost reduction and efficiencies.

e. Avoidance of duplication of administrative functions, reduction in multiplicity of legal and regulatory compliances and cost.

f. Access to a large client base and availability of increased resources, expertise and assets in the Transferee Company can be utilized for further strengthening the customer base and servicing its existing as well prospective customers.

PROMOTERS OF SHPL			
Sr. No.	**Name**	**Individual/ Corporate**	**Experience and Educational Qualification**
1.	Ms. Ananyashree Birla	Individual	Educational Qualification: Ms. Ananyashree Birla is an alumnus of Oxford University. Experience: Ms. Ananyashree Birla is a businesswoman and an artist. Named as one of Business Today's Most Powerful Women 2023, She started Svatantra Microfin, the youngest and fastest growing microfinance company in India, at the age of 17. In 2024, she forayed in the beauty and personal care space with the launch of Birla Cosmetics. As part of this venture, she introduced her own fragrance brand, Contraband, followed by Lovetc, a performance-driven, homegrown colour cosmetics line crafted to global standards. She is also the founder of Ananya Birla Foundation which promotes global understanding and supports programs that build a kinder, happier, equal, stigma-free world, where no conversation is taboo, and all people are connected to the support they need to lead a fulfilling life. She is also the co-founder of Mpower, a foundation that provides mental health awareness across the country. Ms. Ananyashree Birla was recently appointed on the Board of Aditya Birla Management Corporation Pvt. Ltd., Aditya Birla Fashion & Retail, Hindalco, and Grasim. She is involved in various Aditya Birla Group businesses driving key strategy across industries, both in India and overseas.

Svatantra Holdings Private Limited

2.	Mr. Anil Chirania	Individual	Educational Qualification: Mr. Anil Chirania is a qualified Chartered Accountant, Company Secretary and Cost Accountant. He is a member of the Institute of Chartered Accountants of India and the Institute of Company Secretaries of India. Experience: Mr. Anil Chirania has considerable experience and expertise in matters involving accounting, finance, legal, secretarial, taxation, etc. He has been a contributor to several restructuring exercises undertaken by Aditya Birla Group including mergers, demergers, acquisitions, etc.
3.	Mr. Shriram Jagetiya	Individual	Educational Qualification: Mr. Shriram Jagetiya is a qualified Chartered Accountant and Cost Accountant. Experience: Mr. Shriram Jagetiya has specialisation in finance, investments, merger and acquisitions, business reviews. He has about 29 years of experience in fund mobilization, investments, evaluation of various mergers & acquisitions, strategic planning and capital structuring in his various roles within the Aditya Birla Group.

BOARD OF DIRECTORS				
Sr. No.	**Name**	**Designation (Independent/ Whole-time/ Executive/ Nominee)**	**Experience and Educational Qualification**	**Other Directorships***
1	Mr. Anil Chirania DIN: 01082719	Director	Educational Qualification: Mr. Anil Chirania is a qualified Chartered Accountant, Company Secretary and Cost Accountant. He is a member of the Institute of Chartered Accountants of India and the Institute of Company Secretaries of India. Experience: Mr. Anil Chirania has considerable experience and expertise in matters involving accounting, finance, legal,	Indian Companies: ▪ Birla Management Centre Services Private Limited ▪ Birla Smart Connect Limited ▪ Sungod Tea Estate Private Limited ▪ Vighnahara Properties Private Limited ▪ Azure Jouel Private Limited ▪ Genesis Commercial Private Limited ▪ Birla Industrial Finance (India) Limited ▪ Birla Industrial Investments (India) Ltd ▪ Svatantra Micro Housing Finance Corporation Limited ▪ Applause Bhansali Films Private Limited

Svatantra Holdings Private Limited

			secretarial, taxation, etc. He has been a contributor to several restructuring exercises undertaken by Aditya Birla Group including mergers, demergers, acquisitions, etc.	▪ Aditya Birla Trustee Company Private Limited ▪ Svatantra Online Services Private Limited ▪ IKAI ASAI Foundation ▪ Applause Entertainment Private Limited ▪ Birla Consultants Limited ▪ Industry House Limited ▪ Vighnahara Horticulture Private Limited Foreign Companies: ▪ Aelius Investments Pte. Ltd.
2	Mr. Shriram Jagetiya DIN: 01638250	Director	Educational Qualification: Mr. Shriram Jagetiya is a qualified Chartered Accountant and Cost Accountant. Experience: Mr. Shriram Jagetiya has specialisation in finance, investments, merger and acquisitions, business reviews. He has about 29 years of experience in fund mobilization, investments, evaluation of various mergers & acquisitions, strategic planning and capital structuring in his various roles within the Aditya Birla Group.	Indian Companies: ▪ K5 Restaurants & Entertainment Private Limited ▪ Birla Smart Connect Limited ▪ Abhihava Corporate Consultants Private Limited ▪ KA Hospitality Private Limited ▪ Sungod Tea Estate Private Limited ▪ Aditya Birla Money Limited ▪ Aditya Birla Trustee Company Private Limited ▪ ABNL Investment Limited Foreign Companies: ▪ Aditya Birla Sun Life AMC (Mauritius) Limited

**As on the date of this Abridged Prospectus*

BUSINESS OVERVIEW
Company Overview: SHPL was incorporated as a private limited company under the Companies Act, 2013 on 11th May, 2018 in the State of Maharashtra under the name of 'Svatantra Holdings Private Limited' vide Corporate Identity Number U67200MH2018PTC309327. SHPL is an unregistered Core Investment Company in terms of Core Investment Companies (Reserve Bank) Directions, 2016. The registered office of SHPL is situated at 213, 2nd Floor, T.V. Industrial Estate, 52, S.K. Ahire Marg, Worli, Mumbai - 400 030, Maharashtra, India. The main objects of SHPL is to carry on business of an investment company. It currently holds 21.47% stake (excluding ESOPs) in Svatantra Microfin Private Limited and 100% stake in Svatantra Micro Housing Finance Corporation Limited.
Product/ Service Offering: SHPL is engaged in the business of making investments in equity shares, preference shares and other securities in group companies.

Svatantra Holdings Private Limited

Revenue segmentation by product/service offering: Not applicable as SHPL operates in single operating segment i.e. Investment Activity and does not have any active business operations.
Geographies Served: The Company operates only in domestic markets i.e. within India. As a result, separate information for different geographical segments is not disclosed.
Revenue segmentation by geographies: The Company operates only in domestic markets i.e. within India. As a result, separate information for different geographical segments is not disclosed.
Client Profile or Industries served: Not Applicable, as SHPL does not have any active business operations.
Revenue segmentation in terms of top 5/10 clients or industries: Not applicable as SHPL operates in single operating segment i.e. Investment Activity and does not have any active business operations.
Key performance indicators (as on 31st March 2025): **Standalone**: Revenue from operations: Rs. 5,413.51 Lakhs Profit after Tax: Rs. 5,562.03 Lakhs **Consolidated**: Revenue from operations: Rs. 33,720.86 Lakhs Profit after Tax: Rs. 7654.71 Lakhs
Market Share: Nil
Intellectual Property, if any: Nil
Manufacturing plant, if any: Nil
Employee Strength: Nil

RISK FACTORS	
1.	The completion of implementation of the Scheme of Amalgamation is subject to receipt of various approvals, including approval from creditors and debenture holders of the parties to the scheme, statutory/ regulatory authorities and the NCLT. In the event that these approvals are not received, it may not be able to effect the transfer of the Transferor Companies to the Transferee Company, which will result in its inability to complete the Scheme. Further, the objects and benefits mentioned in the Scheme will not be achieved.
2.	Disruptions and other impairment of information technologies and systems could adversely affect the operations of the Transferee Company.
3.	Any penalty or action taken by any regulatory authorities in future for non-compliance with provisions of corporate and other law may impact the financial position of the Transferee Company to that extent.
4.	The First Transferor Company had negative cash flows from operations in previous financial years.
5.	Any changes in the regulatory framework could adversely affect the profitability of the Transferee Company or its future financial performance, by requiring a restructuring of its activities, increasing costs or otherwise.
6.	The Transferee Company's performance and growth will be dependent on the performance of the Indian economy, which in turn, depends on various external factors. The Indian economy has been affected by global economic uncertainties, volatility in interest rates, health pandemics, natural calamities and various other macroeconomic factors as well as regulatory changes. Any downturn in the macroeconomic environment in India could materially and adversely affect the business, prospects, financial condition, results of operations and cash flows of the Transferee Company.

Svatantra Holdings Private Limited

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

A. Total number of outstanding litigations against the Company and amount involved:

Name of the	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved (Rs. in crores)
Company						
By the Company	Nil	Nil	Nil	Nil	Nil	Nil
Against the Company	Nil	Nil	Nil	Nil	Nil	Nil
Directors						
By the Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	Nil	Nil	Nil	Nil	Nil
Promoters						
By the Promoters	Nil	Nil	Nil	Nil	Nil	Nil
Against the Promoters	Nil	Nil	Nil	Nil	Nil	Nil
Subsidiaries						
By the Subsidiaries	Nil	01	Nil	Nil	Nil	0.9971
Against the Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil

Note: a) For the purpose of Civil litigations, materiality threshold as per Regulation 30 of the LODR has been considered.
b) This does not include proceedings/ litigations in the ordinary course of business.

B. Brief details of top 5 material outstanding litigations against the company and amount involved

Sr. No.	Particulars	Litigations filed by	Current Status	Amount involved
Nil				

C. Any litigation or legal action pending or taken by a Government Department or a statutory body or regulatory body during the three years immediately preceding the year of the approval of the Scheme by the Board of Directors of the Company against the promoter of the Company - Nil

D. Brief details of outstanding criminal proceedings against promoters - Nil

MATERIAL DEVELOPEMENTS
Not Applicable

Svatantra Holdings Private Limited

FINANCIAL HIGHLIGHTS

Standalone Audited Financials:

(INR in Lakhs except per share data)

PARTICULARS	FY 2024-2025	FY 2023-2024	FY 2022-2023
BALANCE SHEET			
Assets			
Property, Plant and Equipment	-	-	-
Financial Assets	1,27,398.00	1,45,839.25	1,90,228.40
Non-financial Assets excluding property, plant and equipment	464.85	1.65	-
Total Assets	**1,27,862.85**	**1,45,840.90**	**1,90,228.40**
Liabilities			
Financial Liabilities			
- Derivative financial instruments	-	-	-
- Trade Payables	2.70	2.70	3.24
- Debt Securities	-	-	-
- Borrowings (other than Debt Securities)	-	-	-
- Subordinated liabilities	-	-	-
- Other financial liabilities	2,037.56	2,347.56	1,348.30
Non-Financial Liabilities			
- Current tax liabilities (net)	-	-	-
- Provisions	-	-	-
- Deferred tax liabilities (net)	220.64	5,751.80	18,448.55
- Other non-financial liabilities	519.50	56.15	1.12
Equity (Equity Share Capital and Other Equity)	1,25,082.45	1,37,682.69	1,70,427.19
Total Liabilities and Equity	**1,27,862.85**	**1,45,840.90**	**1,90,228.40**
PROFIT AND LOSS			
Revenue from operations	5,413.51	6.70	5.49
Other Income	310.06	301.81	180.00
Total Income	5,723.57	308.51	185.49
Total Expense	31.18	12.67	9.90
Profit after tax for the year	5,562.03	223.15	129.18

Svatantra Holdings Private Limited

Other Comprehensive income	(16,673.48)	(37,967.39)	52,528.14
Total Comprehensive Income	(11,111.45)	(37,744.24)	52,657.32
Earnings per equity share (Basic)	0.4580	0.0190	0.0131
Earnings per equity share (Diluted)	0.4580	0.0190	0.0131
Cash Flow			
Net cash from / used in (-) operating activities	(86.02)	40.18	(8.89)
Net cash from / used in (-) investing activities	1,576.11	(5,040.00)	(22,490.50)
Net cash from / used in (-) financing activities	(1,488.79)	4,999.75	22,498.87
Net increase / decrease (-) in cash and cash equivalents	1.30	(0.07)	(0.52)
Cash and cash equivalents as per Cash Flow Statement as at end of Year	3.30	2.00	2.07
Additional Information			
Net worth	1,25,082.45	1,37,682.69	1,70,427.19
Cash and cash equivalents	3.30	2.00	2.07
Loans	-	-	-
Loans (Principal Amount)	-	-	-
Total Debts to Total Assets	-	-	-
Interest Income	-	-	-
Interest Expense	-	-	-
Impairment on Financial Instruments	-	-	-
Bad Debts to Loans	-	-	-
% Stage 3 Loans on Loans (Principal Amount)	-	-	-
% Net Stage 3 Loans on Loans (Principal Amount)	-	-	-
Tier I Capital Adequacy Ratio (%)	-	-	-
Tier II Capital Adequacy Ratio (%)	-	-	-

Svatantra Holdings Private Limited

Consolidated Audited Financials:

(INR in Lakhs except per share data)

PARTICULARS	FY 2024-2025	FY 2023-2024	FY 2022-2023
BALANCE SHEET			
Assets			
Property, Plant and Equipment	411.59	304.82	111.67
Financial Assets	3,09,124.04	3,02,958.79	3,16,973.74
Non-financial Assets excluding property, plant and equipment	22,744.66	21,017.48	20,765.74
Total Assets	**3,32,280.29**	**3,24,281.09**	**3,37,851.15**
Liabilities			
Financial Liabilities			
- Derivative financial instruments	-	-	-
- Trade Payables	43.83	17.47	36.79
- Other Payables	343.79	253.79	143.29
- Debt Securities	-	5,801.65	10,792.07
- Borrowings (other than Debt Securities)	1,92,435.66	1,66,161.31	1,31,431.03
- Deposits	-	-	-
- Subordinated liabilities	3,000.00	3,000.00	3,000.00
- Lease Liabilities	-	-	-
- Other financial liabilities	634.52	841.97	622.94
Non-Financial Liabilities			
- Current tax liabilities (net)		-	42.06
- Provisions	246.65	184.95	250.39
- Deferred tax liabilities (net)	-	4,850.09	17,791.73
- Other non-financial liabilities	795.91	290.87	148.90
Equity (Equity Share Capital and Other Equity)	1,34,779.93	1,42,878.99	1,73,591.95
Total Liabilities and Equity	**3,32,280.29**	**3,24,281.09**	**3,37,851.15**
PROFIT AND LOSS			
Revenue from operations	33,720.86	24,075.48	17,606.90
Other Income	183.78	280.03	181.66
Total Income	33,904.64	24,355.51	17,788.56
Total Expense	25,617.87	21,551.79	15,455.55
Profit after tax for the year	7,654.71	2,262.20	1,882.48
Other Comprehensive income	(16,685.03)	(37,974.91)	52,529.26
Total Comprehensive Income	(6,365.76)	(35,712.71)	54,411.74

Svatantra Holdings Private Limited

Earnings per equity share (Basic)	0.85	0.19	0.19
Earnings per equity share (Diluted)	0.85	0.19	0.19
Cash Flow			
Net cash from / used in (-) operating activities	(21,518.77)	(48,516.29)	(37,939.28)
Net cash from / used in (-) investing activities	1,610.88	3,591.10	(13,457.44)
Net cash from / used in (-) financing activities	18,754.02	34,619.34	60,945.77
Net increase / decrease (-) in cash and cash equivalents	(1,153.87)	(10,305.85)	9,549.05
Cash and cash equivalents as per Cash Flow Statement as at end of Year	5,941.47	7,095.34	17,401.19
Additional Information			
Net worth	1,34,779.93	1,42,878.99	1,73,591.95
Cash and cash equivalents	5,941.47	7,095.34	17,401.19
Loans	1,92,435.66	1,66,161.31	1,31,431.03
Total Debts to Total Assets	-	-	-
Interest Income	27,953.10	23,805.39	17,349.44
Interest Expense	16,244.60	14,302.34	10,684.93
Impairment on Financial Instruments	-	-	-
Bad Debts to Loans	-	-	-
% Stage 3 Loans on Loans (Principal Amount)	-	-	-
% Net Stage 3 Loans on Loans (Principal Amount)	-	-	-
Tier I Capital Adequacy Ratio (%)	--	-	-
Tier II Capital Adequacy Ratio (%)	-	-	-

ISSUE PROCEDURE
As there is no issuance of any non-convertible securities pursuant to the Scheme, this clause is not applicable.

CONTACT DETAILS:

Name	Address	Tel:	E-mail:	Investor Grievance Email:	Website	Contact Person	Registration No
LEAD MANAGERS: Not Applicable							
CONSORTIUM/LEAD BROKERS: Not Applicable							
REGISTRAR TO THE ISSUE: Not Applicable							
DEBENTURE TRUSTEE: Not Applicable							

Svatantra Holdings Private Limited

CREDIT RATING AGENCY: Not Applicable							
BANKERS TO THE ISSUE AND SPONSOR BANK: Not Applicable							

DECLARATION BY THE ISSUER
We, hereby, declare that all applicable provisions in connection with the Scheme, including under the Companies Act 1956, Companies Act 2013, and the directions/ regulations issued by Government of India or SEBI or any other competent authorities in this respect from time to time, as the case may be, have been complied with and no statement made in the Abridged Prospectus is contrary to such requirements. We, further certify that the Abridged Prospectus does not omit disclosure of any material information that may make the statements made herein, in the light of the circumstances in which they were made, misleading and that all statements in the Abridged Prospectus are true and correct in all material respects.

(Please scan the QR code to view the Abridged Prospectus)

For and on behalf of Svatantra Holdings Private Limited

Svatantra Holdings Private Limited

Anil Chirania
Director
DIN: 01082719

Date: 26/06/2025
Place: Mumbai

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PR 356478 Simc

LTD. shall not be liable for any ... concerns regarding this matter are requested to contact ANGEL ONE LTD. within 15 days from the date of issuing this notice.

Date : 04.07.2025
Place : Maharashtra

For ANGEL ONE LTD
Sd/-, Authorised Signatory

AVADH SUGAR & ENERGY LTD

CIN: L15122UP2015PLC069635
Registered Office: P.O. Hargaon, Dist. Sitapur (U.P.), Pin - 261 121
Email: avadhsugar@birlasugar.org; Website: www.avadhsugar.com
Phone (05862) 256220, Fax (05862) 256225

NOTICE

1. Notice is hereby given that the **Eleventh Annual General Meeting of the Company ("AGM") will be convened on Wednesday, July 30, 2025 at 11:00 a.m.** (IST) through Video Conference ("VC")/ Other Audio Visual Means ("OAVM") facility in compliance with the applicable provisions of the Companies Act, 2013("the Act") and Rules framed thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") read with The Ministry of Corporate Affairs', General Circular Nos. 20/2020 dated May 5, 2020 and 09/2024 dated September 19, 2024 and other circulars issued in this respect ("MCA Circulars") and further Securities and Exchange Board of India ("SEBI") vide its Circular dated October 3, 2024 ("SEBI Circular") without the physical presence of the Members at a common venue, to transact the business set out in the Notice calling the AGM. Members will be able to attend the AGM through VC / OAVM through www.evoting.nsdl.com using your login credentials.
2. In compliance with the aforesaid Circulars, Notice of the AGM along with the Annual Report 2024-25 will be sent only by electronic mode to those shareholders whose email addresses are registered with the Company / Depositories. Also, a letter providing a web-link for accessing the Notice and Annual Report will be sent to those Members who have not registered their E-Mail addresses. The Notice of 11th AGM and Annual Report for the Financial Year 2024-25 will also be available on the Company's website at www.avadhsugar.com and on the website of the Stock Exchange, BSE Limited at www.bseindia.com, National Stock Exchange of India Limited www.nseindia.com and on the website of National Securities Depository Limited ("NSDL") at www.evoting.nsdl.com.
3. Members holding shares in physical form who have not registered their email addresses with the Company/ Depository can obtain Notice of the 11th AGM, Annual Report and/or login details for joining the 11th AGM through VC/OAVM facility including e-voting, by sending scanned copy of the following documents by email to avadhsugar@birlasugar.org or kolkata@in.mpms.mufg.com
   a. a signed request letter mentioning your name, folio number and complete address;
   b. self attested scanned copy of the PAN Card; and
   c. self attested scanned copy of any document (such as AADHAR Card, Driving Licence, Election Identity Card, Passport) in support of the address of the Member as registered with the Company.
4. Members holding shares in dematerialised mode, who have not registered / updated their email addresses with their Depository Participants, are requested to register / update their email addresses with the Depository Participants with whom they maintain their demat accounts.
5. Members holding shares in physical form who have not updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service or any other means ("Electronic Bank Mandate"), can register their Electronic Bank Mandate to receive dividends directly into their bank account electronically, by sending following details/document in addition to the documents mentioned in para 3 above by email to avadhsugar@birlasugar.org or kolkata@in.mpms.mufg.com
   a) Name and Branch of Bank in which dividend is to be received and Bank Account type;
   b) Bank Account Number allotted by your bank after implementation of Core Banking Solutions;
   c) 11 digit IFSC Code; and
   d) Self attested scanned copy of cancelled cheque bearing the name of the Member or first holder, in case shares are held jointly.
6. Pursuant to Regulation 42 of the Listing Company has fixed Wednesday, July 16, 2025 as the Record Date for ascertaining the eligibility of the Members who shall be entitled to receive the dividend, if declared at the AGM.
7. Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of the shareholders w.e.f. 1st April 2020 and the Company is required to deduct tax at source ("TDS") from dividend paid to the Members at prescribed rates in the Income Tax Act,1961 ("the IT Act"). For the prescribed rates for various categories, conditions for Nil/preferential TDS and details / documents required thereof, Members are requested to refer to the IT Act and Notice of the 11th AGM in this regard. In general, to enable compliance with TDS requirements, Members are requested to complete and/ or update their Residential Status, PAN, Category as per the IT Act with their Depository or in case shares are held in physical form, with the Company by sending email to avadhsugar@birlasugar.org or kolkata@in.mpms.mufg.com. Payment of Dividend will be made electronically to the Members who have registered their bank account details with the Company.
8. Manner of casting vote(s) through e-voting:
   (a) Members will have an opportunity to cast their vote(s) on the business as set out in the Notice of the AGM through electronic voting system ("e-voting").
   (b) The manner of voting remotely ("remote e-voting") by members holding shares in dematerialised mode, physical mode and for members who have not registered their email addresses has been provided in the Notice of the AGM. The details will also be available on the website of the Company at www.avadhsugar.com and on the website of NSDL at www.evoting.nsdl.com
   (c) The facility for voting through electronic voting system will also be made available at the AGM and Members attending the AGM who have not cast their vote(s) by remote e-voting will be able to vote at the AGM.
   (d) The login credentials for casting votes through e-voting shall be made available to the members through email. Members who do not receive email or whose email addresses are not registered with the Company / RTA / Depository Participant(s), may generate login credentials by following instructions given in the Notes to Notice of AGM.
   (e) The same login credentials may also be used for attending the AGM through VC / OAVM.

For Avadh Sugar & Energy Limited
Prashant Kapoor
Company Secretary
ACS - 15576

Place : Kolkata
Date : July 3, 2025

Notice is hereby
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NOTICE

NOTICE IS HERE
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Notice of the AGM
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("FAQs") and e-vo
www.evoting.nsdl.

Place : Bhub
Date: July 01

FORM NO.CAA.2

[PURSUANT TO SECTION 230(3) OF COMPANIES ACT, 2013 AND RULE 6 AND 7 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016] BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

C.A.(CAA)/80(MB)/2025

CHAITANYA INDIA FIN CREDIT PRIVATE LIMITED, Registered Office - Sunshine Tower, Level 20, Senapati Bapat Marg, Elphinstone Road, Mumbai 400 013 **E-MAIL:** neeraj.m.jain@svatantra.adityabirla.com **CIN:** U67190MH2009PTC427833

... SECOND APPLICANT COMPANY / SECOND TRANSFEROR COMPANY

SVATANTRA MICROFIN PRIVATE LIMITED, Registered Office - Sunshine Tower, Level 20, Senapati Bapat Marg, Elphinstone Road, Mumbai 400 013 **E-MAIL:** surinder.bhatia@svatantra.adityabirla.com **CIN:** U74120MH2012PTC227069

... THIRD APPLICANT COMPANY /TRANSFEREE COMPANY

ADVERTISEMENT OF NOTICE OF THE MEETING(S) OF THE SECURED NON-CONVERTIBLE DEBENTURE HOLDERS OF SECOND APPLICANT COMPANY, THE UNSECURED NON-CONVERTIBLE DEBENTURE HOLDERS OF THE SECOND APPLICANT COMPANY AND THE THIRD APPLICANT COMPANY AND SECURED CREDITORS AND UNSECURED CREDITORS OF THE THIRD APPLICANT COMPANY

Notice is hereby given that by an Order dated June 10, 2025 ('said Order'), the Mumbai Bench of Hon'ble National Company Law Tribunal ('NCLT') has directed Meeting(s) to be held of Secured Non-Convertible Debenture holders ('Secured NCD Holders') of the Second Applicant Company, Unsecured Non-Convertible Debenture holders ('Unsecured NCD Holders') of the Second Applicant Company and the Third Applicant Company and Secured Creditors and Unsecured Creditors of the Third Applicant Company for the purpose of considering, and if thought fit, approving with or without modification the Scheme of Amalgamation between Svatantra Holdings Private Limited ('First Transferor Company') and Chaitanya India Fin Credit Private Limited ('Second Transferor Company') with Svatantra Microfin Private Limited ('Transferee Company') and their respective shareholders ('Scheme').

In pursuance of the said Order, aforesaid Meeting(s) of the Second Applicant Company and Third Applicant Company will be held through Video Conferencing ('VC') or Other Audio Visual Means ('OAVM') without the physical presence of the respective security holders and creditors, as the case may be.

In pursuance of the said Order and as directed therein, further notice is hereby given that the meeting of the Secured NCD Holders of the Second Applicant Company will be held on Tuesday, August 19, 2025 at 6:00 p.m. (IST) through VC, meeting of Unsecured NCD Holders of the Second Applicant Company will be held on Tuesday, August 19, 2025 at 4:00 p.m. (IST) through VC, the meeting of Unsecured NCD Holders of the Third Applicant Company will be held on Tuesday, August 19, 2025 at 10:30 a.m. (IST) through VC, the meeting of Secured Creditors of the Third Applicant Company will be held on Tuesday, August 19, 2025 at 12 noon (IST) through VC and the meeting of Unsecured Creditors of the Third Applicant Company will be held on Tuesday, August 19, 2025 at 2:00 p.m. (IST) through VC at the respective times, the Secured NCD Holders of the Second Applicant Company, the Unsecured NCD Holders of the Second Applicant Company and the Third Applicant Company and Secured Creditors and Unsecured Creditors of Third Applicant Company are requested to attend the Meeting(s).

As the Meeting(s) are being convened pursuant to Order through VC, physical attendance of the Secured NCD Holders of the Second Applicant Company, Unsecured NCD Holders of the Second Applicant Company and the Third Applicant Company and Secured Creditors and Unsecured Creditors of Third Applicant Company has been dispensed with. Accordingly, the facility for appointment of proxies by the Secured NCD Holders, Unsecured NCD Holders, Secured Creditors and Unsecured Creditors will not be available for the Meeting(s). However, voting through Authorised Representative is permitted.

Copies of the said Scheme, Explanatory Statement under Section 230 and 232 read with Section 102 and other applicable provisions of the Companies Act, 2013 and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, can be obtained free of charge from the Registered Office of the Second Applicant Company and Third Applicant Company between 10:00 a.m. to 6:00 p.m. on all working days, except Saturdays, Sundays and public holidays in Maharashtra, up to the date of the Meeting(s).

The NCLT has appointed Mr. S. N. Ananthasubramanian, Practicing Company Secretary (M.No. F4206), or failing him Mr. Rajesh Somani, Practicing Company Secretary (M. No. F7181), as the Chairman of the Meeting(s) of the Secured NCD Holders of the Second Applicant Company, Unsecured NCD Holders of the Second Applicant Company and Third Applicant Company and Secured Creditors and Unsecured Creditors of Third Applicant Company including for any adjournment(s) thereof. The above-mentioned Scheme, if approved in the aforesaid Meeting(s), will be subject to the subsequent approval of the Hon'ble NCLT.

All the Secured NCD Holders of the Second Applicant Company, the Unsecured NCD Holders of the Second Applicant Company and the Third Applicant Company and Secured Creditors and Unsecured Creditors of Third Applicant Company are informed that:

1. Notice of the aforesaid Meeting(s) inter alia including the Explanatory Statement, has been emailed to the Secured NCD Holders of the Second Applicant Company, the Unsecured NCD Holders of the Second Applicant Company and the Third Applicant Company and Secured Creditors and Unsecured Creditors of Third Applicant Company, whose names appear in the books of accounts of the Second Applicant Company and Third Applicant Company respectively as on December 31, 2024 at their registered email address. In case of Secured NCD Holders of the Second Applicant Company, Unsecured NCD Holders of the Second Applicant Company and Third Applicant Company and Secured Creditors and Unsecured Creditors of Third Applicant Company whose email id is not registered with the Second Applicant Company and Third Applicant Company, the notice is served through Registered Post.
2. Pursuant to NCLT Order, the Secured NCD Holders of the Second Applicant Company, the Unsecured NCD Holders of the Second Applicant Company and the Third Applicant Company and Secured Creditors and Unsecured Creditors of Third Applicant Company shall have the facility and option of voting on the resolution for approval of the Scheme by casting their votes through (a) remote e-voting which will commence three days prior to the Meeting(s) i.e., from 9:00 a.m. on August 16, 2025 to 5:00 p.m. on August 18, 2025 (b) e-voting during the Meeting(s). Also, e-voting will be kept open for 15 minutes after the conclusion of the Meeting to enable the NCD Holders who have not cast their votes to vote through e-voting system at the Meeting. The Company has engaged the services of NSDL for the purpose of providing facility of e-voting for the Meeting(s).
3. The result of the voting shall be announced by the Chairman of the Meeting(s) in writing upon receipt of the Scrutinizer's Report(s) for each of the Meeting(s). The results announced, along with the Scrutinizer's Report, shall be displayed at the Registered Office of the Second Applicant Company and Third Applicant Company respectively and also be uploaded on the website of the Second Applicant Company and Third Applicant Company respectively, immediately after declaration of the results.
4. The necessary instructions for attending the Meeting(s) through VC and for e-voting during the Meeting(s) have been set out in the notice dated June 27, 2025.
5. The notices of the aforesaid Meeting(s) of the Second Applicant Company and Third Applicant Company are also uploaded on the respective website **(https://www.chaitanyaindia.in/ and https://svatantramicrofin.com/)** of the Second Applicant Company and Third Applicant Company, the website of National Securities Depository Limited ('NSDL') at **www.evoting.nsdl.com** being the E-voting agency appointed by the Company to provide remote e-voting /e-voting and other facilities for the Meeting(s). Additionally, the Notice of Meeting(s) of NCD Holders of Second Applicant Company and Third Applicant Company are also available on the website of the BSE Limited ("BSE") at **www.bseindia.com** being the stock exchange where the Non-convertible Debentures of the Second Applicant Company and Third Applicant Company are listed.
6. As directed by NCLT, Ms. Dipika Biyani, Practicing Company Secretary (Membership No. F9590), has been appointed as the Scrutinizer to scrutinize the process of remote e-voting prior to the Meeting(s) as well as e-voting during the Meeting(s).
7. In case anyone have any queries or issues regarding attending the said VC Meeting(s) or e-voting at Meeting(s) of Second Applicant Company or Third Applicant Company, you may contact Mr. Surinder Kumar Bhatia, email id: secretarial@svatantra.adityabirla.com or Mr. Neeraj Jain, email id: neeraj.m.jain@svatantra.adityabirla.com respectively.
8. **Further, the details of helpdesk for any technical issues related to login are provided below:**

Debenture Holders holding debentures in demat mode with NSDL	Email at evoting@nsdl.com or call on: 022-4886 7000
Debenture Holders holding debentures in demat mode with CDSL	Email at helpdesk.evoting@cdslindia.com or contact at 1800 21 09911
Secured and Unsecured Creditors	Email at evoting@nsdl.com or call on: 022-4886 7000

Place: Mumbai
Date: July 3, 2025

Sd/-
S.N. Ananthasubramanian,
Chairman appointed for the Meeting(s)

फॉर्म क्र. सीएए. २

(कंपनी अधिनियम, २०१३ च्या कलम २३०(३) आणि कंपनीज (कॉम्प्रोमायझेस, अॅरेंजमेंटस् अॅण्ड अॅमल्गमेशन्स) रुल्स, २०१६ च्या नियम ६ आणि ७ ला अनुसरुन)

राष्ट्रीय कंपनी विधी न्यायाधिकरणासमोर, मुंबई खंडपीठ

सी.ए. (सीएए)/८०(एमबी)/२०२५

चैतन्य इंडिया फिन क्रेडिट प्रायव्हेट लिमिटेड, नोंदणीकृत कार्यालय– सनशाईन टॉवर, लेवल २०, सेनापती बापट मार्ग, एल्फिन्स्टन रोड, मुंबई ४०००१३. **ईमेल:** neeraj.m.jain@svatantra.adityabirla.com. **CIN:** U67190MH2009PTC427833

...दुसरी अर्जदार कंपनी/दुसरी हस्तांतरक कंपनी

स्वतंत्र मायक्रोफिन प्रायव्हेट लिमिटेड, नोंदणीकृत कार्यालय– सनशाईन टॉवर, लेवल २०, सेनापती बापट मार्ग, एल्फिन्स्टन रोड, मुंबई ४०००१३. **ईमेल:** surinder.bhatia@svatantra.adityabirla.com. **CIN:** U74120MH2012PTC227069

...तिसरी अर्जदार कंपनी/हस्तांतरिती कंपनी

दुसऱ्या अर्जदार कंपनीचे सुरक्षित नॉन–कन्व्हर्टेबल डिबेंचर धारक, दुसरी अर्जदार कंपनी आणि तिसऱ्या अर्जदार कंपनीचे असुरक्षित नॉन–कन्व्हर्टेबल डिबेंचर धारक आणि तिसऱ्या अर्जदार कंपनीचे सुरक्षित धनको आणि असुरक्षित धनकोंच्या सभेच्या सूचनेची जाहीरात.

सूचना याद्वारे देण्यात येते की, दिनांक १० जून, २०२५ रोजीच्या आदेशाद्वारे (''आदेश'') सन्माननीय राष्ट्रीय कंपनी विधी न्यायाधिकरण ('एनसीएलटी') च्या मुंबई खंडपीठाने स्वतंत्र होल्डिंग्ज प्रायव्हेट लिमिटेड ('पहिली हस्तांतरक कंपनी') आणि चैतन्य इंडिया फिन क्रेडिट प्रायव्हेट लिमिटेड ('दुसरी हस्तांतरक कंपनी') सह स्वतंत्र मायक्रोफिन प्रायव्हेट लिमिटेड ('हस्तांतरिती कंपनी') आणि त्यांच्या संबंधित भागधारकांच्या दरम्यान एकत्रिकरणाची योजना ('योजना') सुधारणेसह किंवा शिवाय विचारात घेणे आणि योग्य वाटल्यास मंजुर करण्यासाठी दुसऱ्या अर्जदार कंपनीचे सुरक्षित नॉन कन्व्हर्टेबल डिबेंचर धारक ('सुरक्षित एनसीडी धारक'), दुसरी अर्जदार कंपनी आणि तिसऱ्या अर्जदार कंपनीचे असुरक्षित नॉन कन्व्हर्टेबल डिबेंचर धारक ('असुरक्षित एनसीडी धारक') आणि तिसऱ्या अर्जदार कंपनीचे सुरक्षित धनको आणि असुरक्षित असुरक्षित धनकोंची सभा घेण्याचे निर्देश दिले आहेत.

सदर आदेशाला अनुसरून, दुसरी अर्जदार कंपनी आणि तिसरी अर्जदार कंपनीची वरील सदर सभा ही संबंधित सिक्युरिटी धारक आणि धनको जसे असेल तसे यांच्या प्रत्यक्ष उपस्थितीशिवाय संबंधित बैठका व्हिडिओ कॉन्फरन्सिंग ('व्हीसी') किंवा अदर ऑडिओ व्हिज्युअल मिन्स ('ओएव्हीएम') मार्फत घेण्यात येणार आहे.

सदर आदेश आणि त्यातील निर्देशांना अनुसरुन पुढे सूचना याद्वारे देण्यात येते की, दुसऱ्या अर्जदार कंपनीच्या सुरक्षित एनसीडी धारकांची सभा ही व्हीसी मार्फत मंगळवार, १९ ऑगस्ट २०२५ रोजी सायं. ६:०० वा. (भाप्रवे) घेण्यात येणार आहे, दुसऱ्या अर्जदार कंपनीच्या असुरक्षित एनसीडी धारकांची सभा ही व्हीसी मार्फत मंगळवार, १९ ऑगस्ट २०२५ रोजी सायं. ४:०० वा. (भाप्रवे) घेण्यात येणार आहे, तिसऱ्या अर्जदार कंपनीच्या असुरक्षित एनसीडी धारकांची सभा ही व्हीसी मार्फत मंगळवार, १९ ऑगस्ट २०२५ रोजी स. १०.३० वा. (भाप्रवे) घेण्यात येणार आहे, तिसऱ्या अर्जदार कंपनीच्या सुरक्षित धनकोंची सभा ही व्हीसी मार्फत मंगळवार, १९ ऑगस्ट २०२५ रोजी दु. १२.०० वा. (भाप्रवे) घेण्यात येणार आहे आणि तिसऱ्या अर्जदार कंपनीच्या असुरक्षित धनकोंची सभा ही व्हीसी मार्फत मंगळवार, १९ ऑगस्ट २०२५ रोजी दु. २.०० वा. (भाप्रवे) घेण्यात येणार आहे, संबंधित वेळी दुसऱ्या अर्जदार कंपनीचे सुरक्षित एनसीडी धारक, दुसरी अर्जदार कंपनी आणि तिसऱ्या अर्जदार कंपनीचे असुरक्षित एनसीडी धारक आणि तिसऱ्या अर्जदार कंपनीचे सुरक्षित धनको आणि असुरक्षित धनकोंना सभेला हजर राहण्याची विनंती करण्यात येत आहे.

सभा व्हीसी मार्फत आदेशाला अनुसरुन बोलाविण्यात आली असल्यामुळे दुसऱ्या अर्जदार कंपनीचे सुरक्षित एनसीडी धारक, दुसरी अर्जदार कंपनी आणि तिसऱ्या अर्जदार कंपनीचे असुरक्षित एनसीडी धारक आणि तिच्या अर्जदार कंपनीचे सुरक्षित आणि असुरक्षित धनकोंची प्रत्यक्ष उपस्थिती आवश्यक नाही. त्यानुसार सुरक्षित एनसीडी धारक, असुरक्षित एनसीडी धारक, सुरक्षित धनको आणि असुरक्षित धनकोंद्वारे प्रतिपत्री व्यक्ती नियुक्तीची सुविधा सभेसाठी उपलब्ध होणार नाही. तथापी प्राधिकृत प्रतिनिधींमार्फत मतदानाला परवानगी देण्यात येईल.

सदर योजना, कंपनी अधिनियम, २०१३ च्या कलम २३० आणि २३२ सहवाचता कलम १०२ आणि इतर प्रयोज्य तरतुदी आणि कंपनीज (कॉम्प्रोमाझेस, अॅरेंजमेंटस् अॅण्ड अॅमल्गमेशन्स) रुल्स, २०१६ च्या नियम ६ अंतर्गत स्पष्टीकरणात्मक विवरणपत्राची प्रत सभेच्या तारखेपर्यंत शनिवार, रविवार आणि महाराष्ट्रातील सार्वजनिक सुट्ट्या वगळुन सर्व कामकाजाच्या दिवशी स. १०.०० ते सायं. ६.०० वा. दरम्यान दुसरी अर्जदार कंपनी आणि तिसऱ्या अर्जदार कंपनीच्या नोंदणीकृत कार्यालयातुन विनामूल्य प्राप्त करता येतील.

एनसीएलटीने तिच्या कोणत्याही तहकुबीसह दुसऱ्या अर्जदार कंपनीचे सुरक्षित एनसीडी धारक, दुसरी अर्जदार कंपनी आणि तिसऱ्या अर्जदार कंपनीचे असुरक्षित एनसीडी धारक आणि तिच्या अर्जदार कंपनीचे सुरक्षित आणि असुरक्षित धनकोंच्या सभेचे अध्यक्ष म्हणुन श्री. एस. एन. अनंथासुब्रमणियन, प्रॅक्टिसिंग कंपनी सेक्रेटरी, (एम क्र.एफ४२०६) किंवा ते नसल्यास श्री. राजेश सोमानी, प्रॅक्टिसिंग कंपनी सेक्रेटरी, एम क्र. एफ७९८१) यांची नियुक्ती केली आहे. वरील नमुद योजना जरी वरील सदर सभेत मंजुर करण्यात आली तरी ती त्यानंतर सन्माननीय एनसीएलटीच्या मंजुरीच्या अधीन राहील.

दुसऱ्या अर्जदार कंपनीचे सुरक्षित एनसीडी धारक, दुसरी अर्जदार कंपनी आणि तिसऱ्या अर्जदार कंपनीचे असुरक्षित एनसीडी धारक आणि तिच्या अर्जदार कंपनीचे सुरक्षित आणि असुरक्षित धनकोंना कळविण्यात येते की:

१. वरील सदर सभेची सूचनेसह इतर बाबींसह स्पष्टिकरणात्मक विवरणपत्र त्यांच्या नोंदणीकृत इमेल पत्त्यावर ३१ डिसेंबर, २०२४ रोजी अनुक्रमे दुसरी अर्जदार कंपनी आणि तिसऱ्या अर्जदार कंपनीच्या खात्याच्या पुस्तका तनावे असलेल्या दुसऱ्या अर्जदार कंपनीचे सुरक्षित एनसीडी धारक, दुसरी अर्जदार कंपनी आणि तिसऱ्या अर्जदार कंपनीचे असुरक्षित एनसीडी धारक आणि तिच्या अर्जदार कंपनीचे सुरक्षित आणि असुरक्षित धनकोंना इमेल केली आहे. जर दुसऱ्या अर्जदार कंपनीचे सुरक्षित एनसीडी धारक, दुसरी अर्जदार कंपनी आणि तिसऱ्या अर्जदार कंपनीचे असुरक्षित एनसीडी धारक आणि तिच्या अर्जदार कंपनीचे सुरक्षित आणि असुरक्षित धनको ज्यांचे इमेल आयडी दुसरी अर्जदार कंपनी आणि तिसऱ्या अर्जदार कंपनीकडे नोंदविलेले नसतील त्यांना सूचना रजिस्टर्ड पोस्टाने पाठविण्यात आली आहे.

२. एनसीएलटी आदेशाला अनुसरुन दुसऱ्या अर्जदार कंपनीचे सुरक्षित एनसीडी धारक, दुसरी अर्जदार कंपनी आणि तिसऱ्या अर्जदार कंपनीचे असुरक्षित एनसीडी धारक आणि तिच्या अर्जदार कंपनीचे सुरक्षित आणि असुरक्षित धनकोंना (ए) रिमोट ई–व्होटिंग जे १६ ऑगस्ट, २०२५ रोजी स. ९.०० वा, पासून १८ ऑगस्ट, २०२५ रोजी सायं. ५.०० वा. (बी) सभेच्या दरम्यान ई–व्होटिंग म्हणजेच सभेपूर्वी तीन दिवस अगोदर सुरु होईल मार्फत त्यांचे मतदान करुन योजनेच्या मंजुरीकरिता ठरावावर मतदान करण्याची सुविधा आणि पर्याय आहे. तसेच ई–व्होटींग सभेत ई–व्होटिंग सिस्टम मार्फत त्यांचे मतदान न केलेल्या एनसीडी धारकांना शक्य होण्यासाठी सभा संपन्न झाल्यानंतर १५ मिनिटांसाठी सुरु ठेवण्यात येईल. कंपनी सभेसाठी ई–व्होटिंग सुविधा पुरविण्यासाठी एनसीडीएलच्या सेवेसह जोडली गेली आहे.

३. मतदानाचे निष्कर्ष हे प्रत्येक सभेसाठी परिनिरिक्षकांचा अहवाल प्राप्त झाल्यावर लेखी स्वरुपात अध्यक्षांद्वारे घोषित करण्यात येईल. घोषित निष्कर्षांसह परिनिरिक्षकांचा अहवाल अनुक्रमे दुसरी अर्जदार कंपनी आणि तिसऱ्या अर्जदार कंपनीच्या नोंदणीकृत कार्यालयात दर्शविण्यात येतील आणि निष्कर्ष घोषित झाल्यावर त्वरित अनुक्रमे दुसरी अर्जदार कंपनी आणि तिसऱ्या अर्जदार कंपनीच्या वेबसाईटवर सुध्दा अपलोड करण्यात येतील.

४. व्हीसी मार्फत सभेला हजर राहण्यासाठी आणि सभेच्या दरम्यान ई–व्होटिंगसाठी आवश्यक माहिती दिनांक २७ जून, २०२५ रोजीच्या सूचनेत नमुद केलेली आहे.

५. दुसरी अर्जदार कंपनी आणि तिसऱ्या अर्जदार कंपनीच्या वरील सदर सभेची सूचना ही दुसरी अर्जदार कंपनी आणि तिसऱ्या अर्जदार कंपनीच्या संबंधित वेबसाईट **(https://www.chaitanyaindia.in/ आणि https://svatantramicrofin.com/)** वर आणि सभेसाठी रिमोट ई–व्होटिंग/ई–व्होटिंग आणि इतर सुविधा पुरविण्यासाठी नियुक्त ई–व्होटिंग एजन्सी अशा नॅशनल सिक्युरिटी डिपॉझिटरी लिमिटेड ('एनसीएलटी') ची वेबसाईट **www.evoting.nsdl.com** वर सुध्दा उपलब्ध आहे. त्याशिवाय दुसरी अर्जदार कंपनी आणि तिसऱ्या अर्जदार कंपनीच्या एनसीडी धारकांच्या सभेची सूचना ही दुसरी अर्जदार कंपनी आणि तिसऱ्या अर्जदार कंपनीचे नॉन कन्व्हर्टेबल डिबेंचर सूचीबध्द असलेल्या बीएसई लिमिटेड (''बीएसई'') ची वेबसाईट www.bseindia.com वर सुध्दा उपलब्ध आहे.

६. एनसीएलटीच्या निर्देशानुसार, सौ. दिपिका बियानी प्रॅक्टिसिंग कंपनी सेक्रेटरी (सदस्य क्र. एफ९५९०) यांची सभेपूर्वी रिमोट ई–व्होटिंग तसेच सभेच्या दरम्यान ई–व्होटिंग प्रक्रियेचे परिनिरिक्षण करण्यासाठी परिनिरिक्षक म्हणुन नियुक्ती करण्यात आली आहे.

७. कोणालाही दुसरी अर्जदार कंपनी किंवा तिसऱ्या अर्जदार कंपनीच्या सदर व्हीसी सभेला हजर राहणे किंवा सभेत ई–व्होटिंग संदर्भात कोणतीही चौकशी किंवा माहिती हवी असल्यास तुम्ही अनुक्रमे श्री. सुरिंदर कुमार भाटिया, ईमेल आयडी: secretarial@svatantra.adityabirla.com) किंवा श्री. नीरज जैन, ईमेल: neeraj.m.jain@svatantra.adityabirla.com यांना संपर्क करु शकता.

८. **पुढे लॉगीनशी संबधित कोणत्याही तांत्रिक अडचणीकरिता हेल्पडेस्कचा तपशील खाली देण्यात आला आहे :**

एनसीडीएल कडील डिमॅट माध्यमातील डिबेंचर धारक	ईमेल evoting@nsdl.com किंवा ०२२–४८८६ ७००० वर कॉल करावा.
सीडीएसएल कडील डिमॅट माध्यमातील डिबेंचर धारक	ईमेल helpdesk.evoting@cdslindia.com किंवा १८०० २१ ०९९११वर कॉल करावा.
सुरक्षित आणि असुरक्षित धनको	ईमेल evoting@nsdl.com किंवा ०२२–४८८६ ७००० वर कॉल करावा.

सही/–
श्री. एस. एन. अनंथासुब्रमणियन
सभेसाठी नियुक्त अध्यक्ष

ठिकाण : मुंबई
दिनांक : ३ जुलै, २०२५

...आणि वरील मार्गदर्शक तत्त्वांच्या प्रयाज्य तरतुदींच्या

...संपलेल्या वर्षाकरिता वित्तीय विवरणे एमसीए सर्क्युलर्स आणि सेबी ...डीपी) कडे ईमेल पत्ते नोंदविलेल्या सर्व भागधारकांना फक्त ईमेल द्वारे ...एमला हजर आणि सहभागी होवु शकतात, व्हिसी/ओएव्हिएम सुविधे ...येईल.

...णे किंवा एजीएम दरम्यान ई–मतदान पध्दतीमार्फत मतदान करण्याची

...**www.unionbankofindia.co.in** आणि बीएसईची वेबसाईट ...पुध्दा प्रदर्शित करण्यात येईल.

...नसतील आणि/किंवा लाभांश प्राप्त करण्यासाठी तुमचे बँक अकाऊंट ...ते नोंदविण्यासाठी खालील माहितीचा अवलंब करावा.

...I/HO/MIRSD/MIRSD_RTAMB/P/CIR2021/655 दिनांक ३ ...फॉर्म आयएसआर १ मिळविण्यासाठी;

...णे ३२, फायनान्शियल डिस्ट्रिक्ट, नानक्रमगुडा,

...**m, टोल फ्री : १८०० ३०९ ४००१**

...ा कडे विनंती पत्राची स्कॅन्ड कॉपी सुध्दा पाठवु शकता.
...**ionbankofindia.co.in/english/important-**
...**reholders.aspx** वर उपलब्ध आहे.

...या डिपॉझिटरी पार्टिसिपंटस् (डीपी) ना संपर्क करा आणि तुमच्या ...नोंदवावा.

...ाएमच्या सूचनेत दिलेली आहे.
...गना यथावकाश लोभांश वॉरंट डिव्हिडंट (काही असल्यास) पाठवेल.
...राज्य टीडीएस काही असल्यास च्या अधीन राहील. असल्यास टीडीएस
...ती आवश्यक कागदपत्रे आणि भागधारकांच्या निवासी स्थितीवर अवलंबुन

...ते आणि त्यानंतर टीडीएस विवरणात सुधारणा करण्याची कोणतीही विनंती

...जिस्ट्रार आणि शेअर ट्रान्सफर एजंट, मे. केफिन टेक्नॉलॉजिस लि. कडे

...लाभांशासाठी सभासदांची हकदारी ठरविण्यासाठी कट–आफ तारीख म्हणुन

संचालक मंडळाच्या आदेशाद्वारे
युनियन बँक ऑफ इंडिया करिता
सही/–
मंगेश मांद्रेकर
कंपनी सचिव

सूचना

...लाव सूचना

...कबाकीच्या त्यावरील व्याज, प्रभार आणि मूल्य इत्यादीसह वसुलीसाठी ...विक्री करण्यात येईल. खालील नमूद वाहनांची

...मार्ग नाशिक शाखा

...	राखीव किंमत रूपये	ईएमडी रूपये	शाखा खाते क्र.
	२८,१०,०००.००	२,८१,०००.००	कॅनरा बँक जीएल खाते क्रमांक : २०९२७२४३४ शाखा नाव : अशोक मार्ग नाशिक आयएफएससी कोड : CNRB0015291
	२८,१०,०००.००	२,८१,०००.००	
	२८,१०,०००.००	२,८१,०००.००	
	२८,१०,०००.००	२,८१,०००.००	

...विक्री कार्यालयीन वेळेत संपर्क साधावा.
... : स्वैर मराठी भाषांतर जिथे फरक असेल तिथे इंग्रजी ग्राह्य धरावे.

सही/–
अधिकृत अधिकारी, कॅनरा बँक