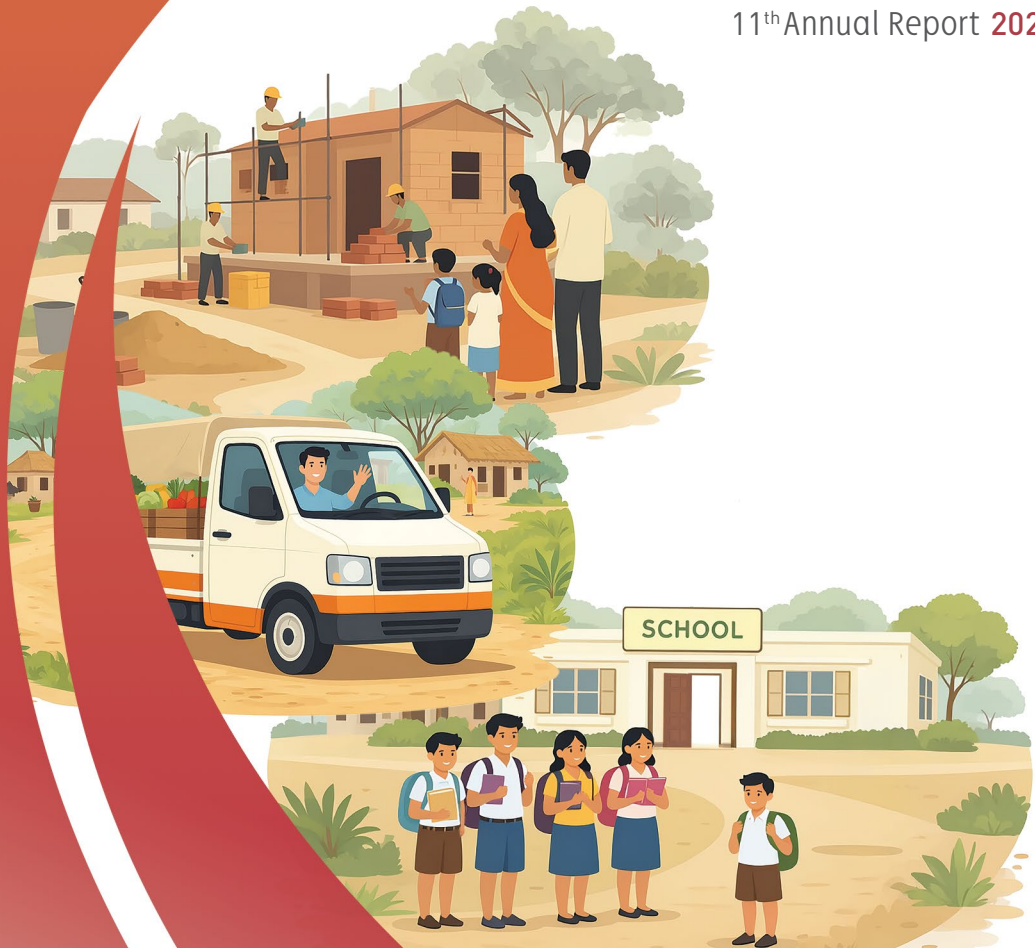




# A Million Dreams

Empowering Rural India

11<sup>th</sup> Annual Report 2025-26



## Business Highlights of FY 2025-26

# Financial performance and analysis

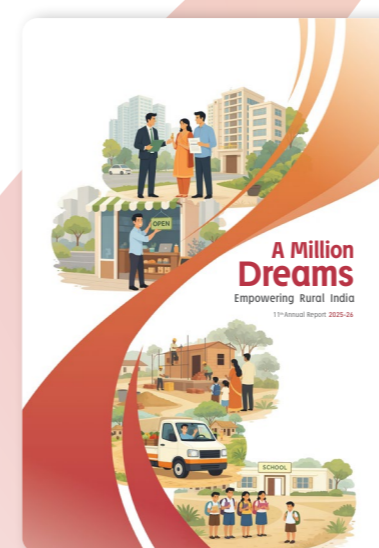
Behind every loan we extend is an aspiration waiting to be realised.



(₹ in crores)

Key Figures	IND AS						IGAAP			
	2025-26	2024-25	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17
<b>Particulars / Financial Year ended</b>										
Employees (in nos.)	8,329	7,796	6,299	4,432	2,727	2,333	1,850	1,422	719	335
Branch Network (in nos.)*	444	438	382	287	229	204	202	147	72	43
Districts (in nos.)	171	175	170	151	130	121	115	87	54	29
Loan Disbursements	4,579.53	3,933.12	3,702.43	2,244.65	1,188.28	614.56	838.99	559.09	315.49	104.74
Loan book	9,134.29	7,348.64	5,723.79	3,533.73	2,187.35	1,562.75	1,300.67	745.21	335.03	92.31
Net worth	3,126.88	2,783.17	2,329.55	1,591.26	1,408.05	888.02	821.79	443.70	165.70	40.09
Borrowings	7,374.10	5,629.24	3,995.81	2,425.32	1,195.65	1,254.15	1,009.82	592.16	295.89	70.86
Total Revenue	1,848.60	1,557.40	1,117.49	680.80	442.23	361.67	275.68	140.93	54.95	12.67
Net Interest Income	1,133.54	960.17	718.10	467.49	282.81	207.59	146.80	77.99	27.85	5.40
Profit Before Tax	436.08	388.32	322.96	232.85	101.36	82.04	43.81	28.28	6.50	-2.84
Profit After Tax	330.39	295.11	245.05	176.40	75.40	62.02	33.34	20.49	6.06	-2.84
<b>Key Ratios</b>										
Gross NPA (%)	2.48	2.21	1.79	2.19	3.94	2.70	1.86	0.90	0.74	0.95
Net NPA (%)	1.38	1.10	0.85	1.26	2.34	1.37	1.28	0.76	0.53	0.71
Capital Adequacy Ratio (%)	33.19	37.82	41.49	45.00	64.43	50.65	59.28	48.04	48.02	42.15
Return on Total Assets (%)	3.54	3.94	4.68	5.36	3.24	3.08	2.28	2.67	2.06	-3.62
Return on Equity (%)	11.25	11.52	12.27	11.81	6.91	7.25	5.27	6.72	5.89	-6.94
Basic Earnings Per Share (₹)	25.17	22.44	19.04	14.85	6.75	17.69	10.58	6.85	2.50	-1.86
Diluted Earnings Per Share (₹)	24.99	22.25	18.86	14.52	6.60	6.50	3.63	2.68	1.14	-1.86
<b>Growth Ratios (in %)</b>										
Loan book growth	24.30	28.39	61.98	61.55	39.97	20.15	74.54	122.43	262.94	1,410.80
Loan Disbursements Growth	16.43	6.23	64.94	88.90	93.36	-26.75	50.06	77.21	201.21	1,592.08

\* Excluding 67, 70, 52 Service Centres as at 31-Mar-26, 31-Mar-25 and 31-Mar-24 respectively  
Note: Please refer Glossary on page number 283 for the explanation.



An electronic version of this report is available online at:

<https://www.veritasfin.in/annual-reports.php>

Scan this QR code to navigate investor-related information

#### Disclaimer:

This document contains statements about expected future events and financials of Veritas Finance Limited ('The Company'), which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.



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## A Million Dreams

# Veritas as an Enabler of Dreams

Since our inception in 2015, we have focused on addressing the evolving financial needs of India's Micro, Small and Medium Enterprises (MSMEs), particularly across underserved and rural markets. Anchored in our purpose of empowering rural India, we are committed to advancing financial inclusion by reaching segments at the lower end of the socio-economic spectrum, unlocking opportunities where access to formal credit has traditionally been limited.

We act as a catalyst for financial empowerment by enabling access to credit for last-mile customers, supporting small businesses in their growth journeys. Backed by a team of experienced professionals with deep domain expertise, we follow a customer-centric and responsible lending approach. Through our efforts, we continue to create a meaningful impact by strengthening livelihoods and contributing to inclusive economic development across the country.



## Vision

To be recognised by our fairness, responsible approach and service quality as the most admired Company in the inclusive financing space by all stakeholders.



## Mission

Make a difference and create positive impact in the lives of million informal customers of Micro, Small and Medium Enterprises (MSMEs) in India through sustainable financing solutions.



## Values

- V** alue-Driven in its approach
- E** thical in all our dealings
- R** esponsible in its engagement with people, focused on offering
- I** nclusive and sustainable finance
- T** ransparent and Fair practices
- A** ccessible to the underserved segment to make a meaningful contribution
- S** elf-employed, Small Business segment of the society

## Veritas Finance in FY 2025-26

# A Year of Empowering Dreams

The year under review marked another phase of steady progress for Veritas Finance. We continued to fuel our growth journey through strong business performance, expanding operational reach and notable industry recognition.

Together, these milestones reflect the resilience, relevance and impact of our business model.

**1,848.6**      **9,134.2**

Total Revenue

Loan Book

**330.3**      **11.25**

Profit after Tax

Return on Equity (%)

**511**      **8,329**

Branch Network

Employees

## Awards and Accolades

# Milestones of Excellence



### Employee Choice Award – AmbitionBox

We received the AmbitionBox Employee Choice Award in the mid-size financial services category, backed by strong employee ratings across company culture, work-life balance, and compensation and benefits.



### Certified Great Place to Work – Third Consecutive Recognition

We were certified as a Great Place to Work for the third time which showcases our efforts towards building a high-trust, inclusive and people-centric workplace. At Veritas Finance, we continue to invest in building a diverse and capable team, while creating a culture that supports performance, engagement and long-term growth.



### Enterprises Lending Entity of the Year

We were honoured with the “Enterprises Lending Entity of the Year” award at the Inclusive Finance India Awards 2025. This recognition shows our continued efforts to expand responsible credit access for underserved and emerging enterprises.

## Leadership Reflection

# The Opportunity Before Us



### Dear Shareholders

Access to credit has always been one of the most powerful drivers of economic progress. And Finance a powerful lever for Reforms. Businesses invest, households create assets and communities prosper when capital reaches productive hands. When Finance touches millions of lives, transformation happens. Yet across large parts of India, millions of entrepreneurs continue to operate with limited access to formal finance despite contributing meaningfully to local economies. This gap represents one of India's largest opportunities. It is also the reason Veritas was founded.

Over the past decade, India has witnessed rapid progress in financial inclusion, digital infrastructure and formalisation. Much has been achieved. Much remains to be done. Small businesses continue to account for a substantial share of economic activity and employment, yet many operate outside the reach of traditional financial institutions. Bridging this gap requires local knowledge, disciplined underwriting and long-term relationships built on trust. Veritas has spent the last eleven years building these capabilities.

### An Opportunity That Remains Relevant

India's economic progress over the past decade has been accompanied by rising entrepreneurship, greater formalisation and expanding participation in the financial system. These developments have widened access to credit across several segments of the economy.

Even so, the demand for appropriately structured finance remains considerable, particularly among small businesses operating outside major urban centres. These enterprises support livelihoods, generate employment and contribute to economic activity across communities that are often underserved by traditional financial institutions. In aggregate, they contribute significantly to the GDP of the country,

The long-term relevance of Veritas and significance of its dedicated role and activities lies in its ability to serve this segment responsibly while maintaining a clear understanding of local market dynamics and customer requirements.

### Growth and Governance Must Advance Together

Financial institutions are built on trust. Customers place trust in the fairness of lending practices. Lenders and investors place trust in the institution's ability to allocate capital prudently. Regulators place trust in the effectiveness of governance and risk oversight. Employees place trust in the organisation's values and leadership. As

institutions grow, preserving that trust becomes increasingly important.

The Board's responsibility extends beyond overseeing business performance. It includes ensuring that growth is accompanied by sound governance, effective risk management, financial discipline and a culture of accountability. These principles influence the quality of decision-making and contribute to long-term resilience.

Over the years, Veritas has invested in building the systems, processes and governance structures necessary to support a larger and more diversified organisation. These foundations will become increasingly important as the Company enters its next phase of development.

### The Next Phase of Evolution

The first decade of Veritas was characterised by establishing credibility, expanding reach and building relationships with customers, lenders and investors. The challenge before the Company today is different. Scale must be accompanied by consistency. Growth must be supported by discipline. Market opportunities must be pursued with careful attention to risk, capital and governance.

We enter this phase with several advantages: a clearly defined market position, an experienced leadership team, maturing product segments, a growing franchise and a culture shaped by responsibility and prudence. These attributes provide a solid foundation for sustainable growth over the long term. The Board remains focused on supporting management in building an institution capable of creating value across business cycles while maintaining the confidence of all stakeholders.

### A Million Dreams

Behind every loan is an aspiration. A business seeking to expand operations. A family investing in a home. An entrepreneur acquiring a productive asset. These aspirations contribute

to employment, income generation and economic participation across the communities we serve. Viewed individually, each decision may appear modest. Viewed collectively, they represent the ambitions of thousands of individuals working to improve their circumstances through enterprise and hard work.

Veritas plays a small but important role in supporting these ambitions by helping capital reach productive uses and widening access to formal finance.

### Acknowledgement

On behalf of the Board, I would like to express my gratitude to our shareholders, investors, lenders, regulators, customers and employees for their continued trust and support.

The progress achieved by Veritas has been made possible by the confidence of these stakeholders and the dedication of our people. As the Company enters its next phase of development, the Board remains committed to supporting the creation of an institution that combines growth with discipline, expansion with stability, opportunity with responsibility and commercial success with sound governance, and all of this under an overarching culture of compliance and accountability.

With Regards,

**Raj Vikash Verma**

Chairman and Non-Executive Independent Director

## Leadership Reflection

# Empowering Dreams Across India



### Dear Shareholders

As I write this letter, I am reminded that while eleven years have passed since our journey began, the purpose that inspired our founding remains as relevant and compelling as ever.

When we started in 2015, we were guided by a simple yet powerful conviction: that millions of micro-entrepreneurs, small traders and self-employed individuals across rural and semi-urban India deserved access to formal credit and the opportunity to participate more fully in the country's growth story.

Over the years, that conviction has evolved into a larger mission. Behind every loan we extend is an aspiration waiting to be realised. It may be a business seeking to grow, a family striving for greater security or an individual working towards a better future. Our role has been about enabling progress, ensuring resilience and creating pathways to economic empowerment. Today, that shared purpose has enabled us to build an institution that serves more than 2.3 lakhs customers, is powered by 8,329 dedicated employees and has grown to a loan book exceeding ₹9,000 crores. Yet, beyond these milestones, what gives me the greatest confidence is our ability to scale responsibly while remaining firmly anchored to the values, discipline and customer-centricity that have defined us from the very beginning.

### Macroeconomic Environment

India's macroeconomic environment remained supportive during FY 2025-26, with resilient economic growth, easing inflation and continued policy emphasis on strengthening the MSME ecosystem. We believe these trends provide a favourable backdrop for expanding formal credit access to small businesses. At Veritas, our continued focus on serving underserved micro and small enterprises positions us well to participate in this opportunity, and we remain confident in the long-term growth potential of our business while contributing to India's broader economic development.

### Strengthening Scale. Enhancing Performance

The Company witnessed strong and well-rounded progress in the financial year, marked by healthy growth, enhanced scale and continued strengthening of our institutional foundations.

Our loan book grew by 24.30% to ₹9,134 crores, supported by disbursements of ₹4580 crore during the year. We expanded our customer franchise to over 2.3 lakhs borrowers, while total income increased by 18.70% to ₹ 1,848.60

crores. Profit After Tax rose to ₹330 crores, reflecting the benefits of scale, disciplined execution and sustained operating efficiency.

Our net worth increased to ₹3,127 crores and our Capital Adequacy Ratio remained robust at 33.19%, providing a strong platform to support future growth. We also expanded our footprint to 511 touchpoints, comprising 444 branches and 67 service centres across 10 states and 1 Union Territory.

A particularly significant milestone during the year was the upgrade of our long-term credit rating by CARE Ratings to CARE AA- with a Stable Outlook. Beyond recognising our strong capitalisation, consistent profitability and prudent funding approach, this upgrade further enhances our financial flexibility, broadens access to capital and builds confidence among lenders, investors and other stakeholders. It also reflects the growing strength and maturity of the institution we have built over the past decade.

### Diversified Growth Across Business Segments

Our Rural Business Loan portfolio, which remains at the core of Veritas' mission and franchise, grew by 15.87% to ₹5,906.76 crores. By continuing to provide secured credit to self-employed individuals, traders and micro-enterprise owners, we strengthened our commitment to fostering entrepreneurship and economic participation across underserved markets.

Our Affordable Housing Loan portfolio continued its strong growth trajectory, expanding by 38.61% to ₹1,952.49 crores. The sustained aspiration for home ownership across Tier 2 and Tier 3 markets, coupled with increasing formal credit penetration, continues to create a compelling long-term opportunity for this business.

The Used Commercial Vehicle Loan portfolio emerged as one of our fastest-growing segments, increasing by 153.37% and crossing ₹824.68 crores in only its second full year of operations. This performance reflects the strength of

our distribution network, underwriting capabilities and execution excellence. We remain confident in the significant growth potential of this business and its ability to become an increasingly meaningful contributor to our portfolio over time.

The Working Capital Loan portfolio moderated to ₹450.36 crores during the year. The segment continued to be influenced by the growing availability of short-tenor digital credit, which altered borrowing behaviour among certain customer cohorts and impacted repayment dynamics.

In response, we strengthened underwriting standards, refined customer selection frameworks and recalibrated product structures. These interventions have enhanced portfolio resilience and embedded stronger risk controls, positioning the business for sustainable growth as operating conditions stabilise.

### Strengthening Technology and Risk Architecture

At Veritas, we have consistently invested ahead of the curve to build a scalable, resilient and future-ready institution. During FY 2025-26, we further advanced our digital operating model by strengthening end-to-end capabilities across customer onboarding, e-KYC, underwriting, disbursement and collections. Increased automation streamlined processes, improved turnaround times and enhanced the overall customer experience. At the same time, growing adoption of digital collection channels, including UPI, e-NACH and dynamic QR codes, continued to drive greater efficiency and convenience.

We also strengthened our risk architecture to support the next phase of growth. The deployment of machine learning-led early warning systems and collection scorecards enhanced our ability to identify emerging stress indicators and enable timely intervention.

Simultaneously, we strengthened our Enterprise Risk Management framework through structured risk governance, clearly defined risk appetite parameters and continuous monitoring of key

risk exposures. Further strengthening our governance framework, we institutionalised a risk-based internal audit structure under the leadership of a dedicated Chief Audit Officer, in line with RBI's Scale-Based Regulatory framework. As our institution grows in scale and complexity, robust technology, prudent risk management and sound governance remain integral to building resilience, safeguarding stakeholder confidence and creating enduring value.

### Nurturing a Holistic Culture

Our people continue to be the bedrock of Veritas' success and a key differentiator in our journey of sustainable growth. As of March 2026, our workforce stood at 8,329 employees. Our teeth-to-tail ratio of approximately 46% reflects a conscious organisational design that places a significant proportion of our talent at the frontline, enabling deeper customer engagement, stronger market connect and more responsive service delivery. During the year, we were recognised as a 'Great Place to Work' for the third consecutive year, received the AmbitionBox Employee Choice Award in the mid-sized financial services category and were honoured with the Enterprises Lending Entity of the Year award at the Inclusive Finance India Awards 2025. Beyond the accolades, these recognitions reflect our culture anchored in integrity, accountability, inclusivity and a shared commitment to creating meaningful impact for our customers, communities and colleagues.

As we continue to grow, we remain committed to ensuring an environment where people can learn, lead and thrive, while staying connected to the values that have shaped Veritas since its inception.

### Creating Impact Beyond Business

At Veritas, our commitment to creating positive impact extends beyond financial inclusion to the broader well-being of the communities we serve. During FY

2025-26, we continued to support financial literacy initiatives, healthcare access programmes, educational interventions and employee well-being efforts, while deepening grassroots community engagement through the Veritas Foundation.

As we look ahead, we remain focused on embedding sustainability more deeply into our operating framework. We are advancing our ESG agenda through a structured materiality assessment, the development of measurable sustainability priorities and stronger internal capabilities for monitoring and reporting progress. We believe that long-term value creation is inseparable from responsible business practices, and this conviction will continue to guide our approach to growth, governance and stakeholder impact.

### Building an Enduring Institution

As we enter our twelfth year, we remain focused on the opportunities ahead and confident in our ability to capture them. Crossing the ₹ 10,000 crore loan book will be an important milestone, reflecting not just scale, but the continued strengthening of a resilient and enduring institution. With strong momentum across our businesses and a robust operating foundation, we are well-positioned to sustain our growth trajectory.

We will continue to deepen our presence in underpenetrated markets, diversify our portfolio through scalable secured lending products, invest in our people and culture, leverage technology and data to enhance productivity and customer experience, and strengthen our funding franchise through long-term lender partnerships. Together, these priorities will continue to drive sustainable and profitable growth.

Equally, we will remain unwavering in our commitment to asset quality, prudent risk management, governance excellence, liquidity discipline and customer-centricity. These principles have shaped Veritas from the outset and will continue to guide every stage of our growth. We believe enduring institutions are built not by pursuing growth at any cost, but by

growing responsibly, consistently and with a steadfast focus on long-term value creation.

### Acknowledgement

I would like to conclude by expressing my sincere gratitude to our Board for its guidance and stewardship, our investors and lending partners for their continued confidence, and our regulators for ensuring an environment that supports responsible and sustainable growth.

I am equally grateful to our 8,329 employees, whose dedication, integrity and commitment bring our purpose to life every day. Above all, I thank our more than 2.3 Lakhs customers, whose aspirations, resilience and entrepreneurial spirit continue to inspire our journey.

This Annual Report is titled A Million Dreams, which reflects the essence of what we do. Behind every loan is an ambition to grow a business, create opportunities, support a family or build a better future. Enabling these aspirations is the purpose that defines us.

As we embark on our next chapter, we remain committed to empowering these dreams with the same conviction, discipline and sense of responsibility that have guided us over the past eleven years, creating lasting value for our customers, communities and all stakeholders.

With Regards,

**D. Arulmany**

Managing Director and CEO



### Board & Investors

From left bottom: Mr. Sudhir Variyar, Nominee Director - Multiples, Mr. Niren Shah - Managing Director and the Head of Norwest India, Mr. D. Arulmany - Managing Director and CEO, Mr. Raj Vikash Verma, Chairman and Non-Executive Independent Director, Mr. Sankarson Banerjee, Non-Executive Independent Director, and Mr. Shiv Chaudhary, Managing Director - Norwest India

From left top: Mr. Parin Mehta, Nominee Director - Kedaara Capital, Ms. Priyamvada Ramkumar, Nominee Director - Lok Capital, Mr. Mathew Joseph - Non-Executive Independent Director, Dr. Susan Thomas - Non-Executive Independent Director, Mr. Suresh Subramanian, Non-Executive Independent Director.

## Strong Focus on Corporate Governance Guided by a Distinguished Board



**Raj Vikash Verma**

Chairman and Non-Executive Independent Director

- Ex MD & Chairman of National Housing Bank
- Ex Whole-time Member & Officiating Chairperson PFRDA<sup>1</sup>
- Director at Encore ARC<sup>2</sup>, Sewa Grih<sup>3</sup>, SBI Pension Funds<sup>2</sup> & RMBS Development Company<sup>3</sup>
- Chairperson Stakeholder Relationship Committee and IPO Committee



**D. Arulmany**

Managing Director and CEO

- Ex President & CEO, Aptus Value Housing Finance<sup>3</sup>
- Manager (Marketing), Cholamandalam Investment & Finance Co. Ltd.
- Chairperson Asset Liability Committee



**Mathew Joseph**

Non-Executive Independent Director

- Ex. CRO<sup>5</sup> & executive management member at HDFC Bank<sup>3</sup>
- Director at Tamil Nadu Urban Infrastructure Financial Services<sup>3</sup>, Tamil Nadu Urban Infrastructure Trustee Company<sup>3</sup> & IIFL Home Finance<sup>3</sup>
- Chairperson Audit Committee, Nomination & Remuneration Committee and Risk Management Committee



**Sankarson Banerjee**

Non-Executive Independent Director

- Ex Chief Information Officer at RBL Bank
- Ex Chief Technology Officer at NSE<sup>3</sup>
- Director at Zerodha Trustee<sup>2</sup>, Nuvama Wealth<sup>3</sup>, Epimoney<sup>2</sup> & Nuvama Custodial Services<sup>3</sup>
- Chairperson IT Strategy Committee

<sup>1</sup> Pension Fund Regulatory and Development Authority;  
<sup>2</sup> Private Limited company;  
<sup>3</sup> Public Limited company;

<sup>4</sup> LLP firm;  
<sup>5</sup> Chief Risk Officer

Years of Experience



**Dr. Susan Thomas**

Non-Executive Independent Director

- Ex Asso. Professor at Loyola Institute of Business Administration
- Ex Head-Group HR at Murugappa Group
- Director at Joy Foam<sup>2</sup> & Prashanth Overseas Supplies House<sup>2</sup>
- Chairperson Corporate Social Responsibility Committee



**Priyamvada Ramkumar**

Non-Executive Nominee Director, Lok Capital Growth Fund

- Director at Sundaram Finance Holdings<sup>3</sup>
- Ex-Manager, Veda Corporate Advisors<sup>2</sup>



**Parin Nalin Mehta**

Non-Executive Nominee Director, Kedaara Capital Fund II LLP

- Managing Director at Kedaara Capital
- Ex-Director at Ajax Engineering<sup>3</sup>, Director at Great Software Laboratory<sup>2</sup> & GAVS Technologies<sup>2</sup>



**Sudhir Narayanankutty Variyar**

Non-executive Nominee Director, Multiples Private Equity Fund III

- Managing Director & Deputy CEO at Multiples Alternate Asset Management<sup>2</sup>
- Director at Vastu HFC<sup>3</sup>, Vastu Finserv<sup>2</sup> & Sanctum Wealth<sup>2</sup>



**Suresh Subramanian**

Executive Independent Director\*

- Ex Partner at SR Batliboi & Associates<sup>4</sup>
- Director at Delphi TVS Technologies<sup>3</sup>, Saksoft<sup>3</sup>, Sundaram Trustee Company<sup>3</sup> & Coromandel International<sup>3</sup>
- Chairperson Resource & Business Committee

\*Resigned effective close of business hours of March 31, 2026

# Strong Focus on Corporate Governance Supported by a Strong Senior Management

## Executive Committee (EC)



**D Arulmany**  
Founder, Managing Director & CEO

- Ex President & CEO, Aptus Value Housing Finance
- Manager (Marketing), Cholamandalam Investment & Finance Co. Ltd.
- PG Dip. in Rural Management from Institute of Rural Management, Anand



**Naveen Raj R**  
Chief Financial Officer

- 20+ years in Financial Services industry including experience at Deloitte and KPMG
- Ex-CAO at Five-Star Business Finance
- FCA and B.Com from University of Madras



**J Prakash Rayen**  
Executive Director - Operations

- Ex-CTO at Aptus Value Housing Finance
- Masters in Computer Applications from Bharathidasan University, Trichy



**Kannan K**  
Chief Business Officer – MSME Rural & Urban

- Ex-AVP at Axis Bank in Agri & Rural banking department and Ex-VP at Yes Bank
- Ex-AVP & Head of Agri & Rural Finance at Cholamandalam Finance



**Sankar Annamalai**  
Chief Business Officer – Home Loans

- Prior to Veritas, was associated with TCS, Infosys and Cholamandalam Finance
- PG Dip. in Management from IIM



**Dheeraj Mohan**  
Chief Operating Officer & Head IR

- Ex-Head of Strategy, Investor Relations & Analytics at Equitas SFB
- Certified ESG Professional from Institute of Directors, India

## Core Strategy Group (CSG)



**Mr. Sekhar Vikas**  
Executive Vice President & Head – MSME Urban



**Mr. R Sathish**  
Senior Vice President & Business Head – Vehicle Finance



**Mr. Vijay Subramanian R**  
Chief Credit Officer



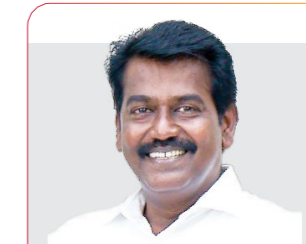
**Mr. Christopher Robin**  
Executive Vice President & Chief Audit Officer (CAO)



**Ms. Kanchana Srikanth**  
Executive Vice President & Chief Compliance Officer



**Mr. S Parthiban**  
Executive Vice President & Chief Technology Officer



**Mr. Sarath Chandran Damodaran**  
Executive Vice President – Chief Technical Officer



**Mr. Kumareshan Sivam**  
Senior Vice President – HR



**Mr. M Mahesh**  
Executive Vice President & Head – Treasury



**Ms. S.V. Laxmi**  
Chief Risk Officer



**Ms. V. Aruna**  
Company Secretary & Compliance Officer

## Our Journey and Milestones

# Building Dreams



## Our Offerings

# Financing the Journey of a Million Dreams

### Rural Business Loans

Our Rural Business Loans comprise small business loans and home construction loans, aimed at supporting businesses with their business expansion and income generation needs and self-employed or salaried individuals with constructing or completing the construction of their existing homes. We offer these loans as secured loans, with average loan tenures ranging from four to seven years, and self-occupied residential property generally as collateral, to borrowers in rural and semi-urban regions having little to no bank penetration. Our primary customer base for this business comprises borrowers with a monthly income ranging between ₹25,000 – ₹80,000 and limited or no prior formal credit history.

### Affordable Home Loans

Since October 2022, we offer secured housing loans to borrowers primarily located in Tier-1 and Tier-2 cities, with loan tenures ranging from five to fifteen years for affordable housing purchases or construction. As compared to home construction loans within our rural business loans business, these loans are tailored towards customers demonstrating a higher earning capacity. As such, our primary customers in our home loans business comprises of low income self-employed and salaried borrowers, and non-resident Indians. Self-occupied residential property of the borrower is generally provided as collateral for such loans.



**₹5,906.76**  
Crores  
AUM

**1,57,186**  
Active loans

**22.38%**  
Yield

**3.29%**  
Gross NPA

**498**  
Branches

**₹4.93 Lakhs**  
Average ticket size

**₹1,952.49**  
Crores  
AUM

**20,095**  
Active loans

**16.46%**  
Yield

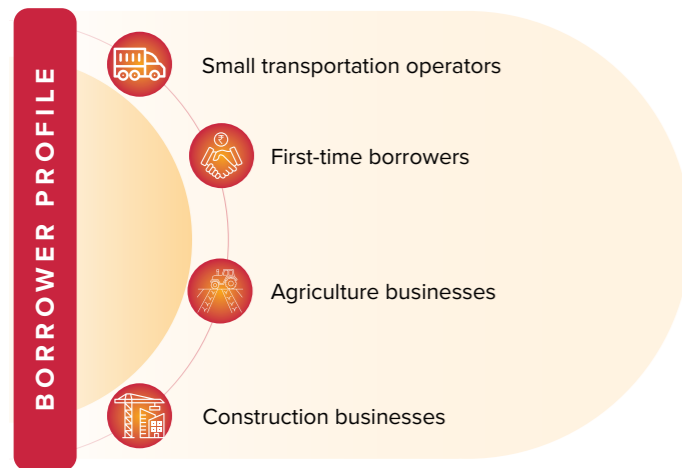
**0.99%**  
Gross NPA

**211**  
Branches

**₹11.26 Lakhs**  
Average ticket size

### Used Commercial Vehicle Loans

Since March 2024, we offer secured used commercial vehicle loans to borrowers in semi-urban and rural regions in India. These loans usually have tenures of three years and are secured by a hypothecation charge over the vehicle. Our used commercial vehicle loans generally have small and light commercial vehicles of the borrower as collateral. The borrowers of such loans are primarily small transportation operators (who are first time borrowers) as well as agriculture and construction businesses, which purchase used commercial vehicles for goods and agricultural transport as part of independent trucking operations.



### Working Capital Loans (Unsecured)

We offer unsecured short-term working capital loans to MSMEs in urban and semi-urban areas. Our primary customer base for this business comprises shopkeepers, restaurant owners, hardware store owners, and other business owners with daily cash flows and prior credit history. Through these loans, we offer access to credit without collateral, with repayment options through cash or digital modes on a weekly collection basis. As part of our commitment to promoting gender equity, we have also introduced loans specifically targeted at women entrepreneurs for augmenting their business and livelihoods.



**₹824.68**  
**Crores**  
AUM

**17,690**  
Active loans

**18.65%**  
Yield

**0.43%**  
Gross NPA

**195**  
Branches

**₹5.50 Lakhs**  
Average ticket size

**450.36**  
AUM

**38,449**  
Active loans

**27.30%**  
Yield

**2.06%**  
Gross NPA

**245**  
Branches

**₹1.84 Lakhs**  
Average ticket size

**Our Presence**

**Our Physical Advantage**

We have steadily expanded our network to reach underserved and underpenetrated regions, with a strong focus on semi-urban and rural geographies where access to formal credit remains limited. With the help of a calibrated branch-led model and a growing on-ground presence, we can stay closer to our customers, understand local market dynamics and deliver tailored financial solutions.

**444**

Branches

**67**

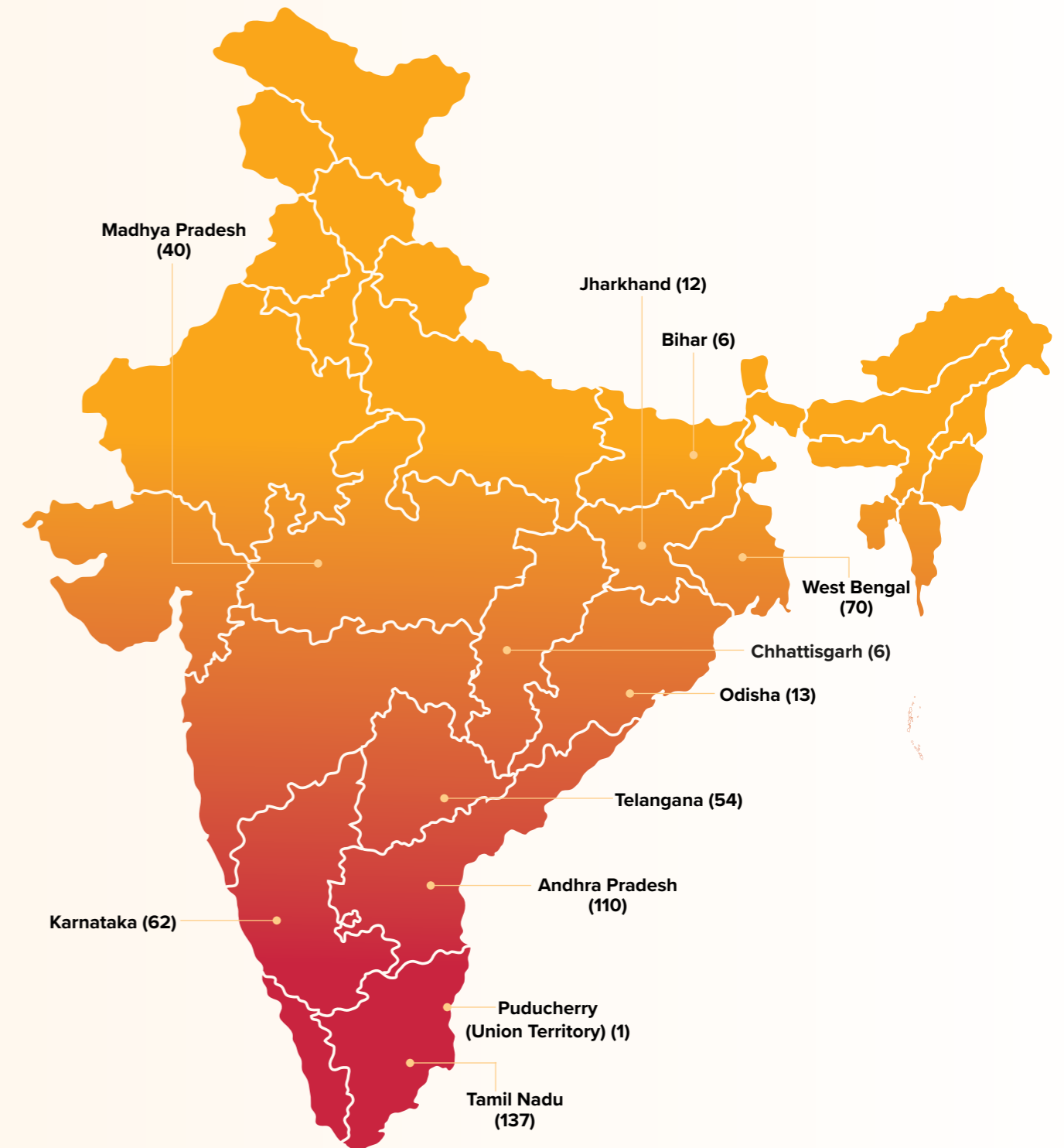
Service Centres

**10**

States

**1**

Union Territory



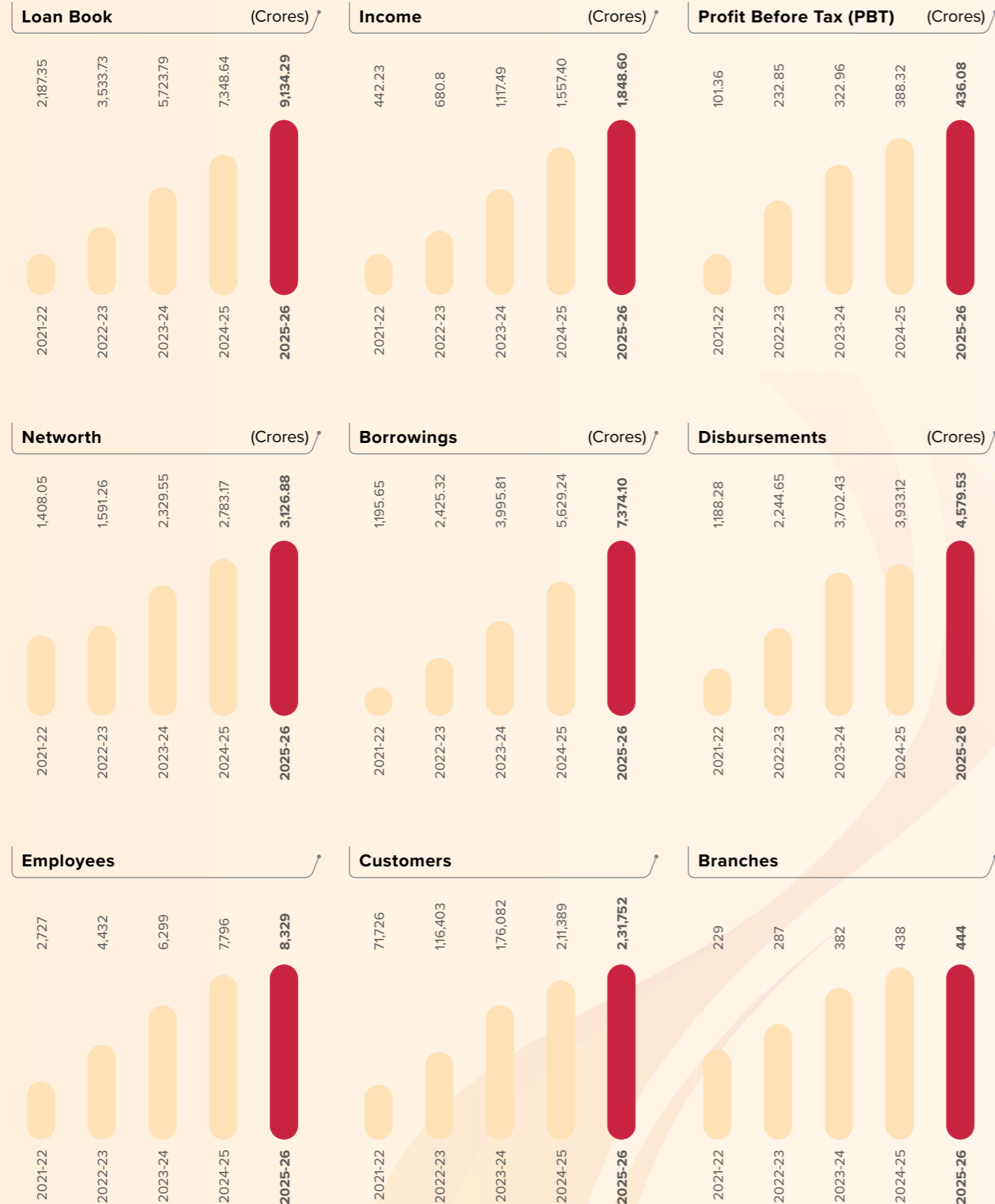
**Business Model**

**Value Creation Story**



## Investors and Shareholders

# Partners in Progress



## Customer-First

# Customer Experience and Service Excellence

At Veritas, customer-centricity remains a core pillar of our operating philosophy, with continued focus on making customer interactions simpler, more transparent, and more accessible across the servicing lifecycle. During FY 2025–26, the Company further strengthened its customer experience framework through omnichannel service access, enhanced self-service capabilities, digital payment enablement, proactive grievance communication, and a stronger voice-of-customer architecture.

A key focus area during the year was the continued strengthening of the Company's omnichannel customer engagement model, enabling customers to interact with Veritas through multiple assisted and self-service touchpoints based on their convenience and servicing requirements. Customers can connect with the Company through dedicated toll-free numbers for sales leads and for service requests / grievances, customer email support, the Company website, and the customer mobile application. This omnichannel architecture is intended to improve accessibility, reduce customer effort, and ensure timely support across different stages of the customer journey.



The Company also continued to enhance its customer mobile application as a 24x7 self-service platform, allowing customers to independently access a range of servicing features without reliance on physical touchpoints. Through the app, customers can raise service requests, view loan account details, make repayments, and download key documents such as the welcome letter, certificate of insurance, and NOC, among other loan-related information. By expanding self-service functionality, the Company aims to provide greater convenience, faster access to services, and a more seamless servicing experience.

In line with its focus on improving repayment convenience, the Company continued to strengthen its digital payment ecosystem by enabling customers to make payments through multiple channels including the website, mobile application, WhatsApp, and QR-code based payment options. These enhancements are designed to reduce friction in the repayment journey, provide greater flexibility in payment access, and improve the overall customer experience through a more convenient and reliable digital servicing environment.

The Company also placed strong emphasis on transparent and proactive customer communication across the service and grievance lifecycle. Customers are informed through communication triggers at key stages such as ticket creation, progress updates, and closure. In cases where service teams are unable to connect with customers during outreach attempts, follow-up communication is issued requesting the customer to reconnect, thereby ensuring continuity of engagement and reducing communication gaps.

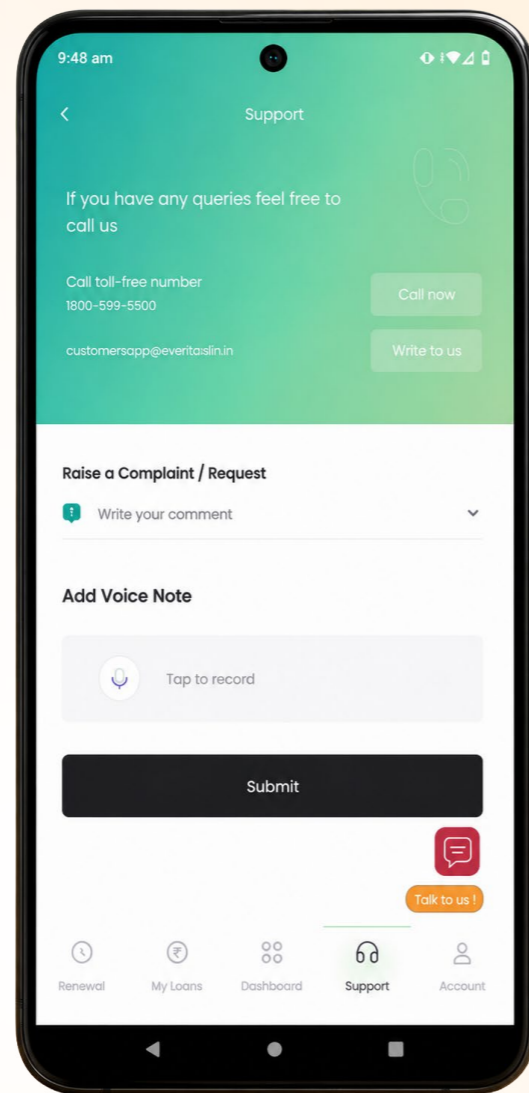
This structured communication framework has improved visibility into service requests and strengthened customer confidence in the resolution process.

As part of its commitment to service excellence and robust grievance redressal, the Company further strengthened its grievance resolution framework through system-driven controls and a more customer-centric closure process. Customer feedback has been embedded as a mandatory part of the ticket closure journey, and system controls have been introduced to ensure that closure cannot be completed without capturing the requisite customer feedback in accordance with the defined process. This has strengthened closure discipline, improved accountability in grievance handling, and reinforced the role of customer feedback in assessing service quality.

Customer listening continued to remain a key area of focus during the year. The Company maintained a Customer Satisfaction (CSAT) score of over 96% in inbound customer interactions, reflecting sustained focus on service responsiveness and support quality. In addition, the Company also introduced Net Promoter Score (NPS) outreach to further strengthen the voice-of-customer framework, understand customer advocacy, and identify opportunities for continuous service improvement.

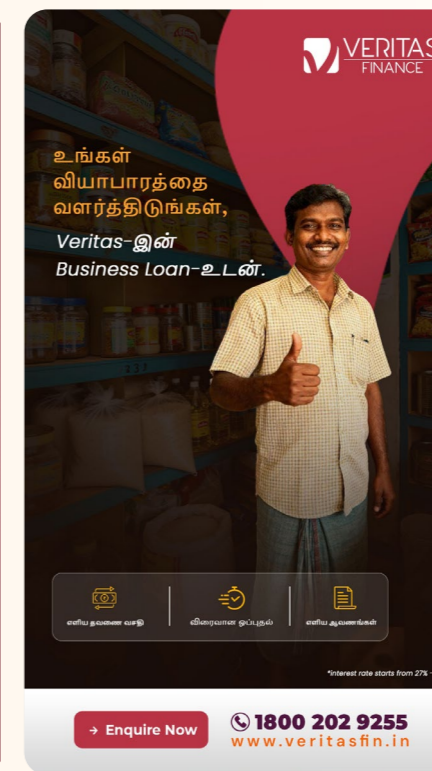
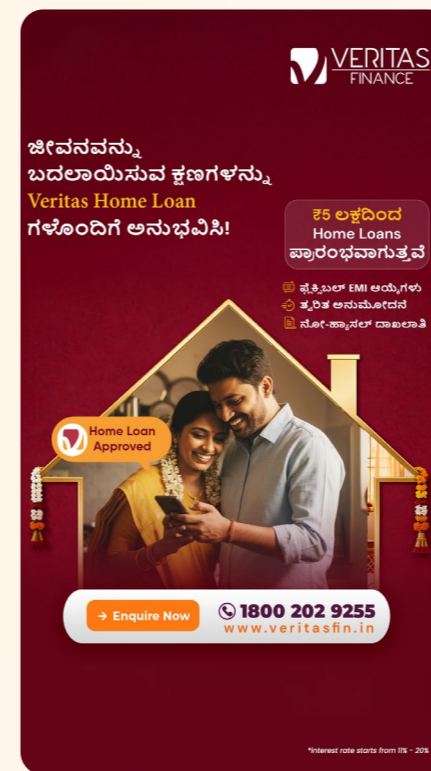
The Company also continued to enhance customer education and transparency through its website by making key product and pricing information available in a clear and accessible manner. This includes product-wise and ticket-size linked interest rate disclosures, applicable charges and fees, and other customer-relevant information, including in vernacular languages. These initiatives support informed decision-making, strengthen transparency, and contribute to improved accessibility for customers across geographies.

Overall, the customer experience initiatives undertaken during FY 2025–26 reflect Veritas' continued commitment to building a responsive, transparent, digitally enabled, and customer-friendly service ecosystem. As the Company scales, it remains focused on combining technology, service quality, and customer feedback to deliver a trusted and differentiated customer experience across the lifecycle.



### Connecting Customers with Relevant Financial Solutions

We strengthened customer outreach through digital campaigns that created awareness of our Business Loans, MSME Loans, Home Loans and Loans Against Property, enabling customers to explore financing solutions aligned with their personal and business requirements.



## People-driven

# People Who Make It Possible

Our people are central to how we operate and grow as a business. We have built a workforce that is diverse, capable and closely aligned with our purpose of supporting India's micro and small businesses.

Our approach focuses on creating an inclusive and performance-driven culture, strengthening employee capabilities and maintaining strong engagement across the organisation. Our on-ground teams allow us to respond effectively as they have a deep understanding of local markets and customer needs.

We also use technology to improve efficiency, while continuing to prioritise human interaction to build long-term customer relationships and deliver responsible lending.

**8,329** Total workforce  
**Great Place To Work®** Certified for 3 consecutive years

**3,801** Sales Team (46% of total workforce)

### Training and Development

We believe that strong on-ground capability is essential for responsible lending. Our sales and credit teams undergo structured training to assess borrowers using practical indicators such as inventory levels, customer footfall and transaction patterns.

We also focus on developing our mid-level and senior employees through targeted leadership programmes. These initiatives aim to strengthen decision-making, team management and strategic thinking, helping us build a strong leadership pipeline to support future growth.

### Performance and Recognition

To attract and retain high-performing talent, we have established a comprehensive performance and rewards framework. This includes performance-linked incentives for sales and collections teams, employee stock option schemes (ESOS) and quarterly recognition programmes at the branch level. We also provide role-based benefits such as vehicle allowances, along with retention bonuses to support long-term employee engagement and organisational stability.

### Engagement and Communication

At Veritas, we nurture a culture of open communication, transparency and continuous engagement across the organisation. To enable this, we have established multiple platforms that encourage two-way dialogue and keep employees engaged:

#### Hot Line

An in-house grievance redressal platform that allows employees to raise concerns confidentially and receive timely resolution

#### Livewire

A quarterly internal newsletter that shares updates on business developments, achievements and employee-focused initiatives

#### Branch Communication

Use of digital posters and other communication aids across branches to increase awareness of employee benefits, policies and key updates

The **VERITAS CRICKET LEAGUE – 2026** was organised to promote competitive cricket, strengthen teamwork, encourage sportsmanship, and provide an exciting platform for talented cricketers representing various regions.

The tournament followed the **T20 Leather Ball** format, delivering fast-paced, entertaining, and highly competitive matches throughout the league stage and knockout rounds.



### Tournament Highlights

- 12 competitive teams participated.
- High-quality Leather Ball T20 cricket.
- Exciting and closely contested league-stage matches.
- Thrilling knockout rounds.
- Madurai Jaguars crowned as Tournament Champions.
- Sri scored a tournament-leading 392 runs.
- Mari Magesh claimed 11 wickets to finish as the highest wicket-taker.
- Excellent teamwork, sportsmanship, and competitive spirit were displayed throughout the tournament.

## Communities We Serve

# Empowering Rural Aspirations

Educational attainment in rural India is often constrained by factors outside the classroom. School infrastructure, sanitation facilities, access to higher education and employability skills influence retention, progression and workforce participation. Our community investments during FY 2025-26 were directed towards these constraints. Capital was deployed across school infrastructure, scholarship programmes and employment-linked skill development initiatives in Tamil Nadu, with a concentration in districts where access gaps remain visible. The interventions undertaken during the year reached students from primary education through to workforce entry, creating a pipeline that connects learning environments with employment outcomes.

### Extending the Life of Public Education Assets

Government schools in several rural districts operate with ageing infrastructure that affects utilisation, safety and maintenance costs. A comprehensive restoration programme undertaken at the Government School in Nakkasalem, Perambalur addressed structural deterioration, utilities, flooring and classroom functionality. Roof repairs, drainage works, electrical replacement and refurbishment of learning spaces extended the usable life of the campus and reduced the risk of future capital expenditure arising from deferred maintenance.

An open stage previously dependent on temporary structures was converted into a permanent multi-purpose facility capable of accommodating classes, examinations and community events. Documentation and block-wise mapping of the campus were prepared to support future maintenance planning and expansion requirements.

Similar interventions were initiated at the Ladapuram Primary School and Ladapuram Adi Dravidar Welfare School, where sanitation, security infrastructure and building repairs formed the principal areas of investment.

663

Students covered under school infrastructure programmes

3

Government schools under renovation and refurbishment initiatives

383

Students enrolled at Nakkasalem Government School

280

Students enrolled across Ladapuram Primary and AWD Schools

28

Teaching and support staff operating from the Nakkasalem campus



### Removing Financial Barriers to Higher Education

Access to higher education remains uneven despite improvements in school enrolment across rural India. Tuition costs and academic expenses remain a binding constraint for many high-performing students. Scholarship funding was provided through the Namma School Namma Oru Palli partnership to support students pursuing higher education in premier institutions. The programme covered tuition fees and essential academic expenditure, allowing students to complete their courses without interruption arising from financial limitations.

₹19.5 Lakhs

Disbursed towards higher education scholarships



Scan the QR code to watch how Veritas Foundation has impacted people's lives through various initiatives

### From Employability to Employment

India's labour market continues to face a mismatch between educational attainment and workplace readiness, particularly among first-time job seekers from rural regions. The skill development programme supported by Veritas Foundation focused on communication skills, digital literacy and workplace preparedness. Participants were drawn from multiple districts across Tamil Nadu and represented a mix of school graduates, diploma holders and degree holders entering the labour market.

Employment outcomes indicate that a large proportion of participants secured jobs within a relatively short period following completion of the programme. For many participants, the programme represented their first entry into formal employment.

50

Candidates enrolled in the programme

45

Participants completed the training

29

Candidates secured employment opportunities

64%

Employment conversion among programme completers

18

First-time entrants into formal employment

11

Districts represented across Tamil Nadu

39

Participants reported improved interview readiness

38

Participants willing to recommend the programme

### Maintaining Public Sanitation Infrastructure

The value of sanitation infrastructure depends on maintenance standards as much as original construction expenditure. Maintenance support was provided for the public urinal facility established at the Trichy Central Bus Stand and for sanitation facilities at Ladapuram Government High School. The interventions focused on functionality, hygiene and usability for commuters and students using the facilities on a daily basis.

₹18 Lakhs

Allocated towards sanitation maintenance activities

## Corporate Information

### Board of Directors

#### Mr. Raj Vikash Verma

Non-Executive Chairman and Independent Director

#### Mr. D Arulmany

Managing Director and Chief Executive Officer

#### Mr. Suresh Subramanian

Non-Executive Independent Director

#### Mr. Mathew Joseph

Non-Executive Independent Director

#### Mr. Sankarson Banerjee

Non-Executive Independent Director

#### Ms. Susan Thomas

Non-Executive Independent Director

#### Mr. Parin Mehta

Non-Executive Nominee Director

#### Ms. Priyamvada Ramkumar

Non-Executive Nominee Director

#### Mr. Sudhir Narayanankutty Variyar

Non-Executive Nominee Director

### Strategic Advisor

#### Mr. P. Surendra Pai

### Executive Director, Chief People Officer

#### Mr. J Prakash Rayen

### Chief Financial Officer

#### Mr. Naveen Raj R

### Company Secretary & Compliance officer

#### Ms. V Aruna

### Bankers

#### PSU Banks

Bank of Baroda  
Bank of Maharashtra  
Canara Bank  
Indian Bank  
State Bank of India  
UCO Bank  
Union Bank of India

#### Private Sector Banks

Axis Bank Limited  
Bandhan Bank Limited  
CSB Bank Limited  
Dhanlaxmi Bank Limited  
HDFC Bank Limited  
IDFC First Bank Limited

IndusInd Bank Limited  
Kotak Mahindra Bank Limited  
RBL Bank Limited  
South Indian Bank  
The Federal Bank Limited  
The Karur Vysya Bank Limited  
Yes Bank Limited

### Small Finance Banks

Capital Small Finance Bank Limited  
Ujjivan Small Finance Bank Limited

### Foreign Banks

Standard Chartered Bank  
The Hongkong and Shanghai Banking Corporation Limited  
KB Kookmin Bank  
DBS Bank Ltd

### NBFCs/FIs

Bajaj Finance Limited  
Nabkisan Finance Limited  
Small Industries Development Bank of India  
Tata Capital Financial Services Limited  
Nabsamruddhi Finance Limited

### NCD Holders

A.K. Capital Finance Ltd  
Axis Mutual Fund Trustee Ltd  
BlueOrchard Microfinance Fund  
DCB Bank Limited  
NAVAL Group Insurance Fund  
Royal Sundaram General Insurance Co. Limited  
Sundaram Finance Limited  
AU Small Finance Bank  
A K Stockmart Private Limited  
The Karur Vysya Bank

### PTC HOLDERS

Axis Mutual Fund Trustee Ltd  
Baroda BNP Paribas Mutual Fund  
L&T Finance Holdings Limited  
Godrej Finance Limited  
HDFC Asset Management Company Limited  
HSBC Mutual Fund  
Kotak Mahindra Mutual Fund  
Godrej Housing Finance Limited  
Nippon Life India Asset Management Limited.

### DEBENTURE TRUSTEE

Catalyst Trusteeship Limited  
GDA House, Plot No. 85,  
Bhusari Colony (Right),  
Paud Road, Kothrud,  
Pune – 411 038  
+91 20 66807200 / 223 / 224  
dt@ctltrustee.com  
<https://www.catalysttrustee.com/>

Axis Trustee Services Limited  
The Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg  
Dadar west, Mumbai – 400 028  
+91 022 6230 0451  
debenturetrustee@axistrustee.in  
[www.axistrustee.in](http://www.axistrustee.in)

### Registered Office

SKCL Central Square 1, South and North Wing,  
7th Floor Unit # C28 - C35, CIPET Road,  
Thiru Vi Ka Industrial Estate,  
Guindy, Chennai - 600 032.  
CIN: U65923TN2015PLC100328  
RBI Regn No: N-07.00810

### CREDIT RATING AGENCIES

CARE Ratings Limited  
4th Floor, Godrej Coliseum,  
Somaiya Hospital Road,  
Mumbai – 400 022

### Registrar & Transfer Agent

KFIN Technologies Limited Selenium Tower B,  
Plot 31-32, Gachibowli, Financial District,  
Nanakramguda, Hyderabad – 500 032

### Secretarial Auditors

**M/s M Damodaran & Associates LLP, Chennai**

### Statutory Auditors

**M/s S. R. Batliboi & Associates LLP, Chennai**

### CONTACT DETAILS

Phone : +91 44 4615 0011  
Toll Free : 1800-202-9155  
Email : [corporate@veritasfin.in](mailto:corporate@veritasfin.in)  
Website : [www.veritasfin.in](http://www.veritasfin.in)

# Board's Report

Dear Shareholders,

Your directors have immense pleasure in presenting the Eleventh annual report of your Company together with the audited financial statements for the financial year ended March 31, 2026, which is the Tenth full year of operations of the Company.

## Financial Results:

The highlights of the Financial Statements of the Company for the financial years 2025-26 and 2024-25 are as under:

Particulars	Amount in INR Crores	
	2025-26	2024-25
Income from Operations	1,848.60	1,557.40
Less: Employee cost	492.98	407.11
Finance Cost	580.14	483.09
Other Operating Cost	309.18	249.98
Profit before Depreciation & Tax	466.30	417.22
Less: Depreciation	30.22	28.89
Profit Before Tax	436.08	388.32
Less: Tax Expenses	105.69	93.21
Profit After Tax	330.39	295.11
Other comprehensive income for the year	-2.48	-2.92
Total comprehensive income for the year	327.91	292.19
Add: Brought forward Profit	715.77	482.17
Less: Transfer to Statutory Reserve under Section 45-IC of the RBI Act, 1934	66.08	59.02
Add: Transfer on account of lapse of ESOP options	1.60	0.43
Add: Net movement on effective portion of cash flow hedges net of taxes	0.79	-
Balance Carried Forward	979.99	715.77

The Company is focused on providing loans to Micro, Small & Medium Enterprises (MSMEs), including business loans secured by property, working capital loans as well as home construction loans, home loans and vehicle loans.

During the year under review, your Company has successfully grown its Loan book from INR 7,348.64 Crores to INR 9,134.29 Crores, the Net Worth increased from INR 2,783.17 Crores to INR 3,126.88 Crores, the Interest Income increased from INR 1,474.46 Crores to INR 1,758.39 Crores and the Customer Base increased from 2,11,389 customers to 2,31,752 customers.

## State of Company's Affairs:

During FY 2025-26, the Net Profit before tax (PBT) of the Company was at INR 436.08 Crores as against INR 388.32 Crores in the FY 2024-25 and the Net Profit after tax was INR 330.39 Crores as against INR 295.11 Crores in the FY 2024-25.

## Share Capital:

As on March 31, 2026, the authorised share capital of the Company was INR 202 Crores consisting of equity share capital.

## Dividend:

Your directors do not recommend for any dividend for the year under review. Your Company has adopted a Dividend Distribution Policy outlining the framework for considering dividend payouts to shareholders of the Company. This policy considers various internal and external factors evaluated by the Board.

The policy is available on our website at <https://www.veritasfin.in/dividend-distribution-policy.php>

## Transfer to Reserves:

As required by Reserve Bank of India, your Company has made a transfer of INR 66.08 Crores to statutory reserves constituting 20% of the profits made during the year under review.

## Deposits:

Your Company is registered as a Non-Deposit Taking Systemically Important Non-Banking Financial Company (NBFC-ND-SI), and no deposit was accepted from the public for the financial year ended March 31, 2026.

## Capital Adequacy Ratio:

Your Company had a Capital to Risk Adjusted Assets ratio of 33.19% against the statutory requirement of 15% due to higher capital base and lower leverage.

## Operational Highlights:

Some of the highlights for the year ended March 31, 2026, are:

- 1) The Company disbursed INR 4,579.53 Crores during the year in the Loan book of INR 9,134.29 Crores.
- 2) During the year ended March 31, 2026, 6 branches were opened and accordingly, the Branch Network has increased to 444 branches across ten states of Tamil Nadu, West Bengal, Karnataka, Odisha, Madhya Pradesh, Telangana, Andhra Pradesh, Jharkhand, Chhattisgarh, Bihar and union territory of Puducherry.
- 3) Veritas Service Centres (VSCs) - 3 VSCs have been converted into branches during the year ended March 31, 2026, and accordingly the total VSCs were 67 for the year ended March 31, 2026. Veritas Service Centres are opened as an extension of the branches for servicing the customers.

### Future Outlook:

Your Company has created a strong base for the existing product verticals that cater to short-term working capital, medium-term business loans and long-term housing finance needs of the MSME segment. These verticals would enter into a year of consolidation and focus on efficiency in operation and growth. In order to further consolidate the product offerings to the MSME segment, the Company has commenced Used Commercial Vehicle Loans as a separate vertical. This would help us diversify the risk further.

### Credit Rating

CARE Ratings upgraded the Company's longterm credit rating to '**CARE AA-**' with a Stable outlook from '**CARE A+**' with a Positive outlook for its long-term bank facilities and non-convertible debentures.

The short-term rating of "**CARE A1+**", was reaffirmed for its Short-Term Bank Loan Facilities and Commercial Papers. The rating "**CARE A1+**", is the highest in short-term rating and indicates a very strong degree of safety with regard to timely payment of interest and principal amount.

### Issue of Listed Debt Securities:

Your Company has issued Series 20 and 21 Secured, Rated, Listed, Fully Paid, Redeemable, Taxable, Non-Convertible Debentures aggregating to INR 425 Crores during the financial year under review. The debt securities are listed with BSE Limited.

Further, your Company has been very prompt in payment of its interest and principal obligations for the financial year ended March 31, 2026, and has complied with all the disclosure requirements stipulated under SEBI (LODR) Regulations, 2015.

### Securitization/Assignment of Loan Portfolio:

Your Company has actively tapped Securitization/Direct Assignment market which has helped diversify, create liquidity, reduce the cost of funds and minimize the mismatches in asset liability management.

During the financial year under review, the Company has securitised receivables of INR 649.11 Crores for a sale consideration from Investors of INR 570.00 Crores. These Securitisation transactions were carried out in line with RBI guidelines on Securitization of Standard Assets and accounted in line with Indian Accounting Standards.

### Direct Assignment:

During the year, your Company has transferred receivables for a sale consideration from Investors of INR 86.54 Crores. These Direct Assignment transactions were carried out in line with RBI guidelines on Transfer of Loan Exposures and accounted in line with Indian Accounting Standards.

### Issuance of Commercial Papers

There has been no issuance of commercial paper during the year under review.

### RBI Guidelines:

Your Company is classified as a NBFC - ML (Non-Banking Financial Company Middle Layer) category.

The RBI has announced various measures to strengthen the regulatory framework in NBFC sector through scale based regulations. The Company strongly believes that this would make the sector more robust and resilient.

The Company has complied with and continues to comply with all the applicable regulations and directions of the RBI.

### Other Statutory Compliances:

Your Company has complied with all the mandatory regulatory compliances as required under the Companies Act, 2013, various tax statutes and other regulatory bodies as applicable.

### Board of Directors:

#### During the year ended March 31, 2026:

Mr. Suresh Subramanian (DIN: 02070440) Independent Director, resigned with effect from close of business hours of March 31, 2026, due to personal reason.

There were no other changes in the composition of the Board of Directors.

### Key Management Personnel:

Pursuant to the provisions of section 203 of the Companies Act, 2013, read with the rules made there under, the following employees are the whole-time key managerial personnel of the Company as on March 31, 2026:

1. Mr. D. Arulmany, Managing Director & Chief Executive Officer
2. Mr. Naveen Raj R, Chief Financial Officer
3. Ms. V. Aruna, Company Secretary & Compliance Officer

There were no changes in the composition of KMP.

### Other Officers:

Your Company has crossed the asset size of INR 5,000 Crores and by virtue of being classified as being a 'NBFC- ML (Non-banking financial company – Middle Layer)', the following officers have been appointed as per extant RBI guidelines:

1. Ms. D. Kanchana Srikanth – Chief Compliance Officer effective October 01, 2023
2. Ms. S.V. Laxmi - Chief Risk Officer effective October 01, 2025 (Mr. R Vijay, upto September 30, 2025)
3. Mr. W. Christopher Robin – Head of Internal Audit effective January 02, 2024

### Statutory Auditors:

Pursuant to the Circular on Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) dated April 27, 2021, and thereafter the FAQs on June 11, 2021, an audit firm can be appointed for a tenure of three years.

M/s. S.R. Batliboi and Associates LLP, Chartered Accountants (ICAI Firm Registration No.101049W/ E300004) were appointed as the Statutory Auditors of the Company with effect from June 10, 2024, for FY 2024-25, until the conclusion of the Twelfth Annual General Meeting of the Company to be held in the year 2027.

The Statutory Auditors have given a confirmation on their eligibility and non-disqualification.

### Statutory Auditors' Report:

The statutory audit report is annexed with the financial statements and forms a part of this report. The statutory auditors have issued an unmodified audit opinion with no qualifications, reservations, adverse remarks, or disclaimers.

### Fraud reported by Auditors

There were no instances of frauds reported by the auditors during the financial year ended March 31, 2026 under Section 143(12) of the Companies Act, 2013.

### Audit trail and backup

Pursuant to Sections 128 and 143(3)(j) of the Companies Act, 2013 Rule 3(1) of Companies (Accounts) Rules, 2014 and rule 11(g) of Companies (Audit and Auditors) Rules, 2014, the auditor of a Company requires to report whether the accounting software used by the Company to maintain books of account has an audit trail feature. The auditors report shall report on 4 aspects:

1. Whether the accounting software used by a Company has a feature of recording audit trail (edit log) facility
2. Whether the same has been operated throughout the year for all transactions recorded in the software
3. Whether the audit trail feature has not been tampered with
4. Whether the audit trail has been preserved by the Company as per the statutory requirements for record retention

The Company has implemented Oracle Fusion with effect from April 1, 2025 which is managed by a third-party software service provider. The database for this application is managed by Oracle and making direct changes at the database level is not possible.

The Company has obtained a SOC report from Oracle which specifically comment on the audit trail feature being available and enabled.

In respect of the loan management system, the feature of recording audit trail (edit logs) facility was enabled and operated throughout the year for all relevant transactions recorded in the systems. The audit trail feature was not enabled for direct changes to data when using certain access rights (i.e at database level) during April 1, 2025 to June 3, 2025. The Company does

not have any direct access to the database for making any direct edits during this period.

Further there was no instance of audit trail feature being tampered during the year, in respect of systems and software(s) where the audit trail has been enabled. The Company has taken steps to have adequate documentation and enable appropriate controls built into the loan management system so as to make it fully compliant from an audit trail perspective after June 3, 2025.

The audit trail of the prior year and current year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective years.

### Secretarial Auditors and their Report:

Pursuant to the provisions of Section 204(1) of the Companies Act 2013 read along with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules 2020 and other applicable provisions, if any, of the Companies Act 2013, M/s. M Damodaran & Associates LLP, were appointed as the Secretarial Auditors of the Company for the financial year 2025 - 26.

The Secretarial Audit Report for the FY 2025-26 forms part of the Annual Report as 'Annexure-IV'. The Report of Secretarial Auditors is self-explanatory.

### Subsidiary / Joint Ventures / Associate Companies:

As on March 31, 2026, the Company does not have any subsidiaries, joint ventures, or associate companies.

### Material changes and commitments:

There are no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

### ISO Certifications:

#### Your Company has the following ISO certifications:

ISO/IEC 27001:2022 – Certified for the scope of work in the departments of IS, IT, Admin, HR, and Compliance.

- ISO 9001: 2015 – for HR Support activities spanning recruitment till employee exit inclusive of employee engagement, training & development, Payroll, Performance management, benefits and compliance.
- ISO 30408:2016 – Human Resource Management Guidelines on Human Governance
- ISO 18404:2015 for the Operation & CRM Department

### Corporate Governance Report:

A report on Corporate Governance is attached and forms part of the Board's Report.

### Business Responsibility and Sustainability Reporting

As per Regulation 34(2)(f) of SEBI (LODR) Regulations, 2015, the top 1,000 (one thousand) listed entities based on market capitalization shall attach a Business Responsibility and Sustainability Report (BRSR) with the Annual Report, describing the environmental, social and governance initiatives undertaken by the listed entities.

In line with this regulation, your Company has voluntarily put together a BRSR report which outlines the ESG initiatives undertaken by your Company. The BRSR report also forms part of this report.

### Committees:

Details on composition of various Committees of the Board and Management and number of Meetings of Board & Committees are given in the Corporate Governance Report.

### Audit Committee

The composition of Audit Committee is in compliance with the requirement prescribed under the Companies Act, 2013, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and the Master Direction – Reserve Bank of India (Non-Banking Financial Companies - Governance) Directions, 2025. All members of the Committee are non-executive directors possessing financial literacy, and expertise in accounting or financial management related matters. The details of composition, meetings held, and Terms of Reference are disclosed in the Corporate Governance Report. All the recommendations of the Audit Committee were approved and accepted by the Board during the year under review.

### Internal Financial Controls:

The Company has documented its internal financial controls considering the essential components of various critical processes, physical and operational which include its design, implementation and maintenance along with periodical internal review of operational effectiveness and sustenance.

This ensures orderly and efficient conduct of its business, including adherence to Company's policies, safeguarding of its assets, prevention of errors, accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

The internal financial controls with reference to the financial statements were adequate and operating effectively.

### Annual Return as per the Companies Act 2013:

As per Section 134 (3) (a) of the Companies Act, 2013, annual return as referred to in Section 92(3) of the act, for the year 2025 – 26 will be uploaded on the website of the Company : <https://www.veritasfin.in/annualreturn.php>

### Particulars of Loans, Guarantees or Investments under Section 186 of Companies Act, 2013:

The Company being a Non-Banking Financial Company, provisions of Section 186 of the Companies Act, 2013, is not applicable.

### Particulars of Contracts or Arrangements with Related Parties under Section 188(1) of Companies Act, 2013:

Your Company has not entered into any transaction with the related parties in terms of Section 188 of the Companies Act, 2013, during the period under review. Accordingly, the NIL disclosure as required under Section 134(3)(h) of the Companies Act 2013, in the prescribed Form AOC-2 is attached as 'Annexure II' to this report. Disclosures as required in compliance with accounting standards with related parties are disclosed in the financial statements.

The Company has formulated a policy on materiality of and dealing with Related Party Transactions pursuant to the provisions of the Act and Regulation 23 of the SEBI Listing Regulations, 2015, which specify the manner of entering into Related Party Transactions ("RPT") and In accordance with the applicable provisions of the Master Direction issued by the Reserve Bank of India and the extant applicable laws, the Company has in place a policy on related party transactions as approved by the board and the same is available on the website of the Company at: [https://www.veritasfin.in/image/pdf\\_fles/company\\_policies/RPT%20-%20Policy.pdf](https://www.veritasfin.in/image/pdf_fles/company_policies/RPT%20-%20Policy.pdf).

### Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo:

Your Company has no activity relating to conservation of energy and technology absorption and the requirement of disclosure of particulars relating to conservation of energy and technology absorption in terms of Rule 8 of the Companies (Accounts) Rules, 2014, does not arise. However, your Company has been increasingly using information technology in its operations and promotes conservation of resources. During the FY 2025-26, the Company has no Forex Exchange outgo and no foreign earnings.

Particulars	INR in Lakhs
Foreign Exchange outgo	NIL
Foreign Earnings	NIL

Note: The Company has converted few Rupee denominated loans into foreign currency loans (FC loans) and has entered derivative transactions (through forward contracts) with counter party to hedge its foreign exchange risks associated thereon. These foreign currency loans (FC loans) are fully hedged and do not possess any foreign exchange risk.

### Risk Management:

The Company has adopted risk management policies, systems and processes that seek to strike an appropriate balance between risk and returns. Your Company has a Risk Management Committee which inter-alia lays down the review of policies, procedures, and processes relating to risk assessment, mitigation, and minimization to ensure that the Company monitors risk through a properly defined risk management framework.

Pursuant to the extant RBI guidelines, your Company also has a Chief Risk Officer, who is responsible for identification, evaluation, and mitigation of risks applicable to the Company.

### **Risk Management, Audit, Compliance function:**

The nature of your Company's business, the regulatory and external circumstances expose your Company to various risks. Primary risks include interest rate risk, credit risk, market risk, liquidity risk, operational risk, cyber–Security Risk, technology risk and data risk. Additionally, the operations implicate compliance and reputation risks, legal, as well as ESG risks. To effectively address these risks, your Company has established an Enterprise Risk Management Framework.

Your Company has a structured management framework called as the Internal Capital Adequacy Assessment Process (ICAAP) to identify, assess, and manage all risks that could potentially have a significant negative impact on the business, financial position, or capital adequacy.

Periodic evaluation and reporting of risk exposures are made to the Board, Committees, and management of your Company, ensuring that they are informed, and appropriate mitigation measures are initiated. The effectiveness of the existing risk models, including assumptions and parameters, are undertaken continuously in line with the evolving circumstances.

The Company has established an independent internal audit department, which is responsible for assessing the adequacy and efficiency of all internal controls, risk management practices, governance systems, policies and processes.

In order to foster a strong culture of checks and balances and eliminate potential conflicts of interest, we have separated the Risk, Audit, and Compliance functions from the Business functions. This separation enables a dedicated focus on revenue generation, as well as risk management and control.

### **Corporate Social Responsibility (CSR):**

Pursuant to Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2014, your Company has adopted a Policy on CSR and the Policy has been placed on the website of the Company at <https://www.veritasfin.in/csr-policy.php>.

In line with the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, Veritas Foundation - a Public Registered Charitable Trust has been established and settled by the Company for the purpose of carrying its CSR Activities primarily in the area of education, skill development, health, and sanitation which are in accordance with the Schedule VII of the Act, CSR Policy and Annual Action Plan of the Company.

Your Company will continue its engagement with stakeholders including like-minded implementing agencies such as NGOs, professional bodies/ forums, and the Government to create a meaningful impact.

The Annual Report on CSR activities for the financial year ended March 31, 2026, is attached as 'Annexure V' to this Report.

### **Particulars of Employees:**

In accordance with the provisions of Section 197 (12) of the Companies Act, 2013, read with Rules 5(1), 5(2) and 5(3), of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the name and other particulars of employees are to be set out in the 'Annexure-I' forming part of the Annual Report.

### **Disclosure in Respect of Remuneration/ Commission Drawn by the Managing Director & CEO**

Mr. D. Arulmany, Managing Director & CEO of the Company did not receive any remuneration or commission from Holding/ Subsidiaries of the Company during FY 2025-26 as there are no such Holding/Subsidiaries companies. The details of the remuneration drawn by him is given in Corporate Governance Report form part of this Annual Report.

### **Formal Annual Performance Evaluation:**

As per the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the Board of directors individually (including Independent Directors) as well as the evaluation of the working of its committees. The Directors have expressed their satisfaction with the evaluation process.

The evaluation framework for assessing the performance of the Board of Directors encompasses various key aspects such as attendance at Board and Committee Meetings, quality of contribution to Board discussions and decision-making process, inputs regarding future growth of the Company and its performance, understanding of industry, governance, board culture and adherence to Code of Conduct of the Company.

Based on the outcome of the evaluation of the year under review, the Board has agreed to place greater emphasis on enhancing engagement and fostering deeper strategic discussions.

### **Policy on Appointment, Evaluation, and Remuneration:**

Pursuant to Section 178 of the Companies Act, 2013, the Nomination and Remuneration Committee has recommended a policy relating to the remuneration of the directors, key managerial personnel, senior management and other employees. The policy includes the criteria laid down for evaluation of the directors, disclosures on the remuneration of Directors, criteria of making payments to Non-Executive Directors. The Policy can be accessed on the website of the Company at <https://www.veritasfin.in/appointment-remuneration-and-evaluation-policy.php>

This policy is also in line with the Reserve Bank of India Regulations including detailed circulars issued thereunder from time to time. The aforesaid policy is available on the website of the Company.

### Board Meetings Held During the Period:

During the period, six meetings of the Board of Directors was held on April 30, 2025, July 22, 2025, August 13, 2025, October 29, 2025, February 04, 2026 and March 20, 2026.

### Directors Responsibility Statement:

To the best of their knowledge and belief, and according to the information and explanations obtained by them, your Directors confirm the following in terms of Section 134(3)(c) and 134(5) of the Companies Act, 2013:

- that in preparation of the annual financial statements for the year ended March 31, 2026, the Indian Accounting Standards (Ind-AS) and other applicable accounting standards have been followed along with proper explanations to material departures, if any.
- that the Directors have selected appropriate accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year ended March 31, 2026.
- that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- that the Directors have prepared annual accounts on a going concern basis.
- that the Directors have established internal financial control systems for the prevention and detection of frauds and errors. The framework is reviewed periodically by Management and tested by an independent firm conducting internal audits. Based on the periodical testing, the framework is strengthened from time to time, to ensure adequacy and effectiveness of internal financial controls.
- that the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

### Role of Independent Directors:

Independent directors play a crucial part in the board's decision-making process since they approve the Company's overall strategy and monitor management performance. The independent directors bring with them a wealth of expertise, wisdom, and understanding in the areas of finances, housing, credit & risk, Information Technology, Human resources management, and accounting. This extensive understanding of both their area of specialty and boardroom procedures results in a variety of unbiased, experienced, and independent viewpoints. Each independent director has committed and set aside enough time to carry out their responsibilities well.

### Declaration given by Independent Directors:

All the independent directors have submitted a declaration of independence, stating that they meet the criteria of independence provided under section 149(6) of the Act, as amended, and Regulation 16(1)(b) and Regulation 25 of the SEBI Listing Regulations, 2015.

Mr. Raj Vikash Verma, Mr. Mathew Joseph, Mr. Sankarson Banerjee and Ms. Susan Thomas, who are appointed as Non-Executive and Independent Directors, have given the necessary declaration under Section 149, Section 164 and Section 184 of the Companies Act, 2013. These declarations have been placed before the Board and were duly taken on record.

### Registration of Independent Directors with Independent Director's Databank

The Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019, required all existing and those aspiring to become independent directors to apply online to Indian Institute of Corporate Affairs (IICA) for inclusion of their names with the Independent Directors Databank.

All the Independent Directors, Mr. Raj Vikash Verma, Mr. Mathew Joseph, Mr. Sankarson Banerjee and Ms. Susan Thomas have registered themselves with the Independent Director's Databank and the details are as given below:

Name of the Independent Director	Registration Number	Validity of Registration
Mr. Raj Vikash Verma	IDDB- DI-201912-003438	Lifetime
Mr. Mathew Joseph	IDDB- DI-202002-017395	February 26, 2030
Mr. Sankarson Banerjee	IDDB- DI-202211-045172	November 15, 2027
Ms. Susan Thomas	IDDB- DI-202407-061416	July 03, 2030

Further, in accordance with Rule 6(3) of the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019, Mr. Raj Vikash Verma, Mr. Mathew Joseph, Mr. Sankarson Banerjee and Ms. Susan Thomas have given declaration of compliance of sub-rule (1) and sub-rule (2) to the Board, which were duly taken on record.

### Familiarisation Programme:

Your Company, on an ongoing basis strives to keep the Board, specifically the Independent Directors informed and updated with matters related to the industry and business environment in which we operate, our business model, risk metrics, mitigation and management, ever evolving governing regulations, information technology including cyber security, their roles, rights and responsibilities and any other major developments and updates.

All new Independent Directors are taken through a detailed induction and familiarisation programme, that covers the history, background, cultures, values, organizational structures, board procedures and overview of the business operations of the Company. The Company has also provided directors with a

reference manual which, inter alia, covers the roles, functions, powers and duties of the directors, disclosures and declarations to be submitted by directors and various codes and policies of the Company.

The induction and ongoing Programmes enable the Independent Directors to take better informed and conscious decisions, in the best interests of the stakeholders of the Company.

The details of familiarisation Programme imparted to the Independent Directors and the policy of the Company are available on the Company's website at [https://www.veritasfin.in/Familiarisation\\_Programme\\_for\\_Independent\\_Directors.php](https://www.veritasfin.in/Familiarisation_Programme_for_Independent_Directors.php).

### **Separate Independent Directors Meeting:**

The Independent Directors convened a separate meeting without the presence of Non-Independent Directors and members of the management to discuss all such issues as they may consider relevant. During the year under review, the meeting of Independent Directors was held on March 20, 2026.

At the said meeting, the Independent Directors discussed and reviewed the performance of Non-Independent Directors and the Board as a whole assessed the quality, quantity and timeliness of the flow of information between the Company management and the Board that is necessary for the Board to perform their duties effectively and reasonably. They also discussed briefly strategy, leadership strengths and weaknesses, governance, compliance, Board movements, succession planning, human resources matters. The recommendations and feedback arising from the meeting have been communicated to the Board and management for implementation.

### **Code of Conduct for the Board of Directors and the Senior Management Personnel:**

Pursuant to Regulation 17(5) of SEBI Listing Regulations, 2015, the Company has adopted the Code of Conduct applicable to the Board of Directors and the Senior Management Personnel (Code). The Code provides guidance to the Board of Directors and Senior Management Personnel to conduct their business affairs ethically and in full compliance with applicable laws, rules and regulations. In accordance with Schedule V (D) of the SEBI Listing Regulations, 2015, the Company has also received a declaration from the Directors, the Key Management Personnel, and the Senior Management Personnel of the Company that they have complied to the Code of Conduct for the financial year ended March 2026.

The said code is hosted on the website at <https://www.veritasfin.in/code-of-conduct.php>

### **Vigil Mechanism / Whistle Blower Policy:**

The Company as part of the 'vigil mechanism' has in place a 'Whistle Blower Policy' to deal with unethical behaviour, mismanagement, instances of actual or suspected, fraud, if any and provides safeguards against victimization of employees who avail the mechanism. The Whistle Blower Policy has been placed on the website of the Company. The Audit Committee

oversees the vigil mechanism. The Directors, employees and all stakeholders of the Company have been given direct access to the Chairperson of the Audit Committee, if needed.

During the year under review, one complaint was received by the Company. The said complaint was investigated and addressed as per the policy of the Company as of date. Further, none of the personnel of the Company were denied access to the Chairman of the Audit Committee.

### **Policy on Prevention of Sexual Harassment:**

The Company follows a zero-tolerance approach towards sexual harassment and remains firmly committed to ensuring the safety, dignity and well-being of all employees. It strives to foster a safe, inclusive and respectful workplace.

Policy on Prevention and Redressal of Sexual Harassment at Workplace is in place as per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The said policy is uploaded on the website of the Company. The Company has complied with the provisions related to the constitution of the Internal Complaints Committee.

Pursuant to the POSH Act, the details of the total reported and closed cases pertaining to incidents under the above framework/law are as follows:

Number of cases received during the financial year: Nil

Number of cases disposed during the financial year: Nil

Number of cases pending as on March 31, 2026: Nil

Number of cases pending for more than 90 days: Nil

### **Compliance in relation to Maternity Benefit Act, 1961:**

Your Company is in full compliance with all provisions of the Maternity Benefit Act, 1961 (and relevant sections under the Code on Social Security). Your Company maintains a supportive and equitable work environment, ensuring that eligible female employees are provided with mandated paid maternity leave, medical bonuses, and statutory nursing breaks. Furthermore, your Company mandates non-discrimination and job security for expecting and new mothers throughout and following their period of leave.

### **Disclosure of Orders passed by Regulators or Courts or Tribunal:**

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

### **Penalties:**

There were no instances of non-compliances, penalty levied, or strictures imposed on the Company by Stock Exchanges, or SEBI on any matter related to capital markets, during the year under review.

The instances of penalties and fines imposed, if any, on the Company by other statutory authorities in the normal course of the business are detailed in the financial statements of the Company.

### Employee Stock Option Scheme:

The information pertaining to ESOS in terms of Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 is annexed with this report as 'Annexure-III'.

### Details of issue of Sweat Equity Shares

There has been no issue of sweat equity shares since inception of the Company.

### Maintenance of Cost Records

The Company being a NBFC is not required to maintain cost records as per sub-section (1) of Section 148 of the Act.

### Code of conduct for fair disclosure of UPSI and Code of Conduct to regulate, monitor and report trading by insiders in Company's Securities

In compliance of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Company has formulated a Policy on Code of conduct for fair disclosure of UPSI and Code of Conduct to regulate, monitor and report trading by insiders which prohibits trading in securities of the Company by insiders while in possession of Unpublished Price Sensitive Information in relation to the Company. The objective of this Code is to ensure timely and adequate disclosure of Unpublished Price Sensitive Information ('UPSI') and the manner in which it shall be unvaryingly disseminated to the Investors on an immediate and regular basis. Ms. V. Aruna, Company Secretary and Compliance Officer of the Company, is authorized to act as Compliance Officer under the Code.

### Human Resource Development Attracting and Retaining Top Performers

Our employees are our most important assets. Attracting, retaining, and fairly compensating talented professionals are one of the foundational elements of your Company's business strategy. Your Company capitalizes on a robust management team possessing extensive industry knowledge, augmented by a dedicated execution team at the branch level that consistently achieves outstanding results. Our human resources strategies also aims at allowing our employees to develop their skills, grow in their career and navigate their next phase.

As of March 31, 2026, your Company had 8329 employees across branches, regional offices, and the head office as follows:

- Total Male Employees: 8113
- Total Female Employees: 216
- Total Transgender Employees: Nil

**Optimizing Staff Strength for Growth:** Your Company meticulously studied customer acquisition, credit delivery, collection processes, and staff strength of similar NBFCs to optimize our staffing levels. This analysis considered differences in business models and resulted in streamlined regional and branch staffing, adding personnel in critical functional areas as needed.

**Investing in People:** Your Company invests heavily in employee development through training programs for frontline sales, marketing, credit, and other staff, including KYC and FPC certifications. Your Company also offer a mix of on-the-job and off-the-job training opportunities.

### Employees Relationship:

The employees at all ranks of the Company have extended their wholehearted cooperation to the Company for the smooth conduct of the affairs of the Company and the employee relations of the Company have been cordial. Your directors wish to place on record their deep sense of appreciation for all the employees whose commitment, co-operation, active participation, dedication, and professionalism has made the organization's significant growth possible.

### Secretarial Standards

During the FY 2025-26, the Company has complied with applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

### General

The Company has not made any one-time settlement for loans taken from the Banks or Financial Institutions, and hence the details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof is not applicable.

There was no revision of financial statements and Board's Report of the Company during the year under review.

There was no issue of equity shares with differential rights as to dividend, voting or otherwise.

There was no issue of shares (including sweat equity shares) to the employees of the Company under any scheme, save and except Employee Stock Option schemes referred to in this Report.

There was no buyback of the equity shares during the year under review.

There were no voting rights which are not directly exercised by the employees in respect of equity shares for the subscription/purchase for which loan was given by the Company (as there is no scheme pursuant to which such persons can beneficially hold shares as envisaged under Section 67(3)(c) of the Companies Act, 2013 ("the Act").

### **Disclosure pertaining to Insolvency & Bankruptcy Code**

There were neither any applications filed by or against the Company nor any proceedings were pending under the Insolvency and Bankruptcy Code, 2016 ("IBC") during the year under review.

Date: May 07, 2026

### **Acknowledgement**

Your directors take this opportunity to thank the shareholders, customers, employees, bankers, non-bank lenders, vendors, mutual funds, financial institutions, debenture trustee, R&T agent, credit rating agency, auditors, Reserve Bank of India, other Regulatory authorities for their co-operation and continued support to the Company. We look forward to their continued patronage and encouragement in all our future endeavours.

On behalf of the Board of Directors,  
**For Veritas Finance Limited**  
**(Formerly known as Veritas Finance Private Limited),**

-sd-

**Raj Vikash Verma**

Chairman and Independent Director

DIN:03546341

Place: Gurgaon

sd-

**D. Arulmany**

Managing Director & CEO

DIN: 00009981

Place: Chennai

## Annexure- I

### Disclosures in terms of Section 197(12) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

#### A. Information as per Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

S.No	Particulars	Remarks
1.	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	Mr. D. Arulmany – 109.15:1 Mr. Mathew Joseph-11.47:1 Mr. Suresh Subramanian -11.00:1 Mr. Sankarson Banerjee-11.32:1 Mr. Raj Vikash Verma-13.04:1 Ms. Susan Thomas-10.22:1
2.	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Managing Director and CEO – 36.54% Chief Financial Officer – (-0.77%) Company Secretary and Compliance Officer– 22.74% Other Directors – 4.87% (cumulative)
3.	The percentage increase in the median remuneration of employees in the financial year	13.03%
4.	The number of permanent employees on the rolls of company	8329
5.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average % increase in employees salary: 9.81% Average % increase in KMP salary: 19.50%
6.	Affirmation that the remuneration is as per the remuneration policy of the company	It is hereby affirmed that the remuneration paid is as per the as per the Policy for Directors, Key Managerial Personnel and other Employees.

**B. Information as per Rule 5(2) and Rule 5(3) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014** – The statement is available for inspection of the shareholders at the ensuing annual general meeting of the Company. If any member is interested in obtaining a copy, such member may send an e-mail to the Company Secretary of the Company in this regard.

## Annexure- II

### FORM NO AOC-2

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

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

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

Veritas Finance Limited has not entered into any contract/arrangement/transaction with its related parties, which is not in ordinary course of business or not at arm's length during FY 2025-26.

a. Name(s) of the related party and nature of relationship	NA
b. Nature of contracts/arrangements/transactions	NA
c. Duration of the contracts/ arrangements/ transactions	NA
d. Salient terms of the contracts or arrangements or transactions including the value if any	NA
e. Justification for entering into such contracts or arrangements or transactions	NA
f. Date(s) of approval by the Board	NA
g. Amount paid as advances, if any:	NA
h. Date on which the special resolution was passed in general meeting as required under first proviso to Section- 188	NA

#### 2. Details of material contracts or arrangements or transactions at arm's length basis:

a. Name of the related party and nature of relationship	NA
b. Nature of contracts/ arrangements/ transactions	NA
c. Duration of the contracts/ arrangements/ transactions	NA
d. Salient terms of the contracts or arrangements or transactions including the value, if any	NA
e. Date(s) of approval by the Board	NA
f. Amount paid as advances, if any	NA

Although there are no related party transactions as per Section 188 of the Companies Act, 2013 and the rules made thereunder, as per Rule 4(1) of the Companies (CSR Policy) Rules, 2014, the Company transfers its CSR obligations (part or whole) as per the CSR Annual Action Plan to Veritas Foundation and the details of the transactions are available as part of the CSR report FY 2025-26. Further, during the financial year ended March 31, 2024, the Company established a trust by name "Veritas Employees Gratuity Trust" for the purpose of covering the gratuity payable to employees as per Payment of Gratuity Act, 1972 in association with SBI Life Insurance Company Limited.

**For and on behalf of the Board of Directors of  
Veritas Finance Limited  
(Formerly known as Veritas Finance Private Limited)**

Date: May 07, 2026

-sd  
**Raj Vikash Verma**  
Chairman & Independent Director  
DIN: 03546341  
Place : Gurgaon

-sd  
**D. Arulmany**  
Managing Director & CEO  
DIN: 00009981  
Place: Chennai

## ANNEXURE III

## VERITAS Employees Stock Option Scheme (VERITAS ESOS A), 2016.

Nature of Disclosures	Particulars
a. Options approved to be issued as ESOPs	30,00,000
b. Options Granted	30,50,000
c. Options Vested	-
d. Options Exercised	29,61,500
e. The total no. of shares arising as a result of exercise of option	29,61,500
f. Options Lapsed / Surrendered	88,500
g. Variation of terms of option	None during the FY 2025-26.
h. Total number of options in force	-
i. Options available for grant	38,500
j. Money realized by exercise of options	₹ 3,81,30,000/-
k. (a) Details of options granted to Key Managerial Personnel (KMP)	NIL during the year
(b) Any other employee who received a grant of Option amounting to 5% or more of Options granted during the period ended 31.03.2026	NIL
(c) Identified employees who were granted Options, during the period ended 31.03.2026, equal or exceeding 1% of the issued capital of the Company at the time of grant	NIL
l. Diluted Earnings per Share (EPS) pursuant to issue of shares on exercise of Option calculated in accordance with Accounting Standard – 20	NA
m. The exercise price of Options	NA

## VERITAS Employees Stock Option Scheme (VERITAS ESOS B), 2018.

Nature of Disclosures	Particulars
a. Options approved to be issued as ESOPs	10,00,000
b. Options Granted	11,62,500
c. Options Vested	1,18,750
d. Options Exercised	8,35,350
e. The total no. of shares arising as a result of exercise of option	8,35,350
f. Options Lapsed / Surrendered	1,73,400
g. Variation of terms of option	None during the FY 2025-26.
h. Total number of options in force	1,18,750
i. Options available for grant	10,900
j. Money realized by exercise of options	₹ 3,77,04,000/-
k. (a) Details of options granted to Key Managerial Personnel	NIL
(b) Any other employee who received a grant of Option amounting to 5% or more of Options granted during the period ended 31.03.2026	NIL
(c) Identified employees who were granted Options, during the period ended 31.03.2026, equal or exceeding 1% of the issued capital of the Company at the time of grant	NIL
l. Diluted Earnings per Share (EPS) pursuant to issue of shares on exercise of Option calculated in accordance with Accounting Standard – 20	NA
m. The exercise price of Options	NA

### VERITAS Employees Stock Option Scheme (VERITAS ESOS C), 2018.

Nature of Disclosures	Particulars
a. Options approved to be issued as ESOPs	20,00,000
b. Options Granted	25,75,000
c. Options Vested	6,78,750
d. Options Exercised	10,53,650
e. The total no. of shares arising as a result of exercise of option	10,53,650
f. Options Lapsed / Surrendered	7,48,850
g. Variation of terms of option	None during the FY 2025-26.
h. Total number of options in force	6,78,750
i. Options available for grant	1,73,850
j. Money realized by exercise of options	₹ 14,47,52,500/-
k. (a) Details of options granted to Key Managerial Personnel (KMP)	NIL
(b) Any other employee who received a grant of Option amounting to 5% or more of Options granted during the period ended 31.03.2026	NIL
(c) Identified employees who were granted Options, during the period ended 31.03.2026, equal or exceeding 1% of the issued capital of the Company at the time of grant	NIL
l. Diluted Earnings per Share (EPS) pursuant to issue of shares on exercise of Option calculated in accordance with Accounting Standard – 20	NA
m. The exercise price of Options	NA

### VERITAS Employees Stock Option Scheme, 2021 (VERITAS ESOS, 2021).

Nature of Disclosures	Particulars
a. Options approved to be issued as ESOPs	10,00,000
b. Options Granted	11,80,000
c. Options Vested	5,09,750
d. Options Exercised	24,500
e. The total no. of shares arising as a result of exercise of option	24,500
f. Options Lapsed / Surrendered	2,63,500
g. Variation of terms of option	None during the FY 2025-26.
h. Total number of options in force	5,09,750
i. Options available for grant	83,500
j. Money realized by exercise of options	₹ 55,12,500/-
k. (a) Details of options granted to Key Managerial Personnel	NIL during the year
(b) Any other employee who received a grant of Option amounting to 5% or more of Options granted during the period ended 31.03.2026	6 employees
(c) Identified employees who were granted Options, during the period ended 31.03.2026, equal or exceeding 1% of the issued capital of the Company at the time of grant	NIL
l. Diluted Earnings per Share (EPS) pursuant to issue of shares on exercise of Option calculated in accordance with Accounting Standard – 20	NA
m. The exercise price of Options	Exercise Price was ₹ 625 for Options granted on 30.04.2025.

**VERITAS Employees Stock Option Scheme, 2024 (VERITAS ESOS, 2024).**

Nature of Disclosures	Particulars
a. Options approved to be issued as ESOPs	20,00,000
b. Options Granted	18,74,167
c. Options Vested	6,00,834
d. Options Exercised	NIL
e. The total no. of shares arising as a result of exercise of option	NIL
f. Options Lapsed / Surrendered	6,03,333
g. Variation of terms of option	None during the FY 2025-26.
h. Total number of options in force	6,00,834
i. Options available for grant	7,29,166
j. Money realized by exercise of options	NIL
k. (a) Details of options granted to Key Managerial Personnel	15,000 options granted to KMP (Company Secretary)
(b) Any other employee who received a grant of Option amounting to 5% or more of Options granted during the period ended 31.03.2026	9 employees
(c) Identified employees who were granted Options, during the period ended 31.03.2026, equal or exceeding 1% of the issued capital of the Company at the time of grant	NIL
l. Diluted Earnings per Share (EPS) pursuant to issue of shares on exercise of Option calculated in accordance with Accounting Standard – 20	NA
m. The exercise price of Options	Exercise Price was Rs.625 for Options granted on 30.04.2025.

# FORM NO. MR-3

# Annexure- IV

## SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026

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

To,

The Members,

**VERITAS FINANCE LIMITED,**

(Formerly known as VERITAS FINANCE PRIVATE LIMITED)

(CIN: U65923TN2015PLC100328),

SKCL Central Square 1, South and North Wing, 7<sup>th</sup> Floor,

Unit No. C28 - C35, CIPET Road, Thiru Vi Ka Industrial Estate,

Guindy, Chennai – 600 032.

We, M Damodaran & Associates LLP, Practicing Company Secretaries, have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **VERITAS FINANCE LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Companies books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2026** (“Audit Period”) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2026** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') including amendment/ re-enactment made thereto; (to the extent applicable):-

- (a) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (b) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
  - (c) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with clients;
  - (d) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI LODR];
  - (e) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
  - (f) Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993;
- (vi) Reserve Bank of India Act, 1934 and applicable RBI Directions and Guidelines (as the Company is a Non-Banking Financial Company).

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

- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as applicable to the Company listed on BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') and
- (ii) Secretarial Standards (SS-1) for Board Meeting and Secretarial Standards (SS-2) for General Meeting issued by the Institute of Company Secretaries of India.

During the period under review, the Company has complied with the applicable provisions of the Acts, Rules, Regulations, Circulars, Notifications, Guidelines, Secretarial Standards, etc. mentioned above and there are no other specific observations requiring any qualification on non-compliances.

**We further report that** the Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive and Independent Directors. The changes in composition of the Board during the year were carried out in compliance with applicable provisions.

Adequate notice was given to all Directors to schedule the Board & Committee Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice with the consent of all the Directors, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. As per the minutes of the meetings duly recorded and signed by the respective Chairperson, the decisions of the Committees and Board were unanimous and no dissenting views have been recorded.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period the Board of Directors of the Company, inter-alia, has;

- a. approved, at its meeting held on April 30, 2025, issuance of redeemable and Non-Convertible Debentures up to INR 1650 crores on private placement basis.
- b. granted, at its meeting held on April 30, 2025, 1,65,000 employees stock options pursuant to the respective Veritas Employee Stock Option Schemes.
- c. allotted, 22,500 Series 20A and Series 20B secured, rated, listed, redeemable, transferable, non-convertible debentures bearing face value of INR 1 lakh each aggregating up to INR 225 crores, pursuant to a circular resolution passed by the Resources and Business Committee of the Board dated September 19, 2025. The said debentures were subsequently listed on the BSE on September 22, 2025.
- d. allotted, 20,000 Series 21 secured, rated, listed, redeemable, transferable, non-convertible debentures bearing face value of INR 1 lakh each aggregating up to INR 200 crores, pursuant to a circular resolution passed by the Resources and Business Committee of the Board dated February 05, 2026. The said debentures were subsequently listed on the BSE on February 06, 2026.
- e. increased, at its meeting held on March 20, 2026, borrowing powers from INR 9500 crores to INR 12000 crores (subject to shareholder approval).
- f. approved, at its meeting held on March 20, 2026, securitization of receivables up to INR 1800 crores (subject to shareholder approval).

- g. noted, at its meeting held on March 20, 2026, resignation of Mr. Suresh Subramanian (DIN: 02070440), Independent Director of the Company with effect from end of the business hours on March 31, 2026.

**We further report that** during the audit period the Shareholders of the Company, inter alia, has;

- a. passed following resolutions at the Extra-ordinary General Meeting held on April 15, 2025;
  - i. special resolution under section 180(1)(c) and other applicable provisions of the Companies Act, 2013, to increase the quantum of borrowing powers of the Board of Directors from INR 7000 crores to INR 9500 crores as below subject to interchangeability within the overall borrowing powers of INR 9500 crores.
 

(INR in Crores)		
Particulars	Existing Limits	Proposed Limits
Borrowings by way of Commercial Papers	350.00	150.00
Private placement of Non-Convertible Debentures (NCDs)	750.00	1650.00
Securitization of its loan receivables, and/or to sell / transfer / directly assign substantial assets including receivables / book debt of the Company	1400.00	1700.00
Borrowings from such person or persons including banks, institutions, corporates, etc., including by way of External Commercial Borrowings (ECBs), availing Standby Letter of Credit (SBLC), and all types of fund and non-fund based facilities.	4500.00	6000.00
<b>Grand Total (INR in Crores)</b>	<b>7000.00</b>	<b>9500.00</b>
  - ii. special resolution under sections 23, 42, 71, 180(1)(c) and all other applicable provisions of the Companies Act, 2013, for issue of secured/unsecured/subordinated, rated/unrated, listed/unlisted non-convertible debentures on a private placement basis in one or more tranches/series up to a maximum amount not exceeding INR 1650 crores during a period of one year from April 15, 2025.
  - iii. special resolution under section 180(1)(a) and all other applicable provisions of the Companies Act, 2013, to undertake the transaction(s) for Securitization/Selling/Transfer/Direct Assignment of its receivables/book debts up to INR 1700 crores.
  - iv. special resolution under section 180(1)(a) and all other applicable provisions of the Companies Act, 2013, to approve creation of Security cover / Charges on the assets of the Company up to INR 11,500 crores.

- b. passed following resolutions at the Annual General Meeting held on July 21, 2025;
- i. special resolution under sections 152, 196, 197, 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the rules made thereunder, approved the re-appointment of Mr. Arulmany Duraisamy (DIN: 00009981), as Managing Director and Chief Executive Officer of the Company, for a further period of five years with effect from July 03, 2025 to July 02, 2030.
- ii. special resolution under sections 149, 197, 198 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the rules made thereunder, approved the payment of annual commission to the Independent Directors of the Company for the FY 2024-25.

**We further report that** during the audit period, the Company has redeemed the debentures on the respective due dates including partial redemption.

Place: Chennai

Date: May 07, 2026

**For M DAMODARAN & ASSOCIATES LLP**

**M. DAMODARAN**

Managing Partner

Membership No.: 5837

COP. No.: 5081

FRN: L2019TN006000

PR 3847/2023

ICSI UDIN:F005837H000296930

*(This report is to be read with our letter of even date which is annexed as Annexure 1 and forms an integral part of this report)*

## 'Annexure 1'

To,

The Members,

**VERITAS FINANCE LIMITED,**

*(Formerly known as VERITAS FINANCE PRIVATE LIMITED)*

(CIN: U65923TN2015PLC100328),

SKCL Central Square 1, South and North Wing, 7<sup>th</sup> Floor,

Unit No. C28 - C35, CIPET Road, Thiru Vi Ka Industrial Estate,

Guindy, Chennai – 600 032.

Our Secretarial Audit Report of even date is to be read along with this letter.

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

Place: Chennai

Date: May 07, 2026

**For M DAMODARAN & ASSOCIATES LLP**

**M. DAMODARAN**

Managing Partner

Membership No.: 5837

COP. No.: 5081

FRN: L2019TN006000

PR 3847/2023

ICSI UDIN:F005837H000296930

# Annexure V

## CORPORATE SOCIAL RESPONSIBILITY (CSR) REPORT

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

### 1. Brief outline on CSR Policy of the Company.

Veritas Finance Limited ("Veritas Finance") recognizes that integrating social, environmental and ethical responsibilities into the governance of businesses ensures the long term success, competitiveness and sustainability.

Our Board of Directors, our Management and all of our employees subscribe to the philosophy of compassionate care. We believe and act on an ethos of generosity and compassion, characterized by a willingness to build a society that works for everyone. This is the cornerstone of our CSR policy.

### 2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Ms. Susan Thomas	Chairperson and Independent Director	2	2
2	Mr. Sudhir Variyar	Member and Nominee Director	2	2
3	Mr. D. Arulmany	Member and Managing Director and CEO	2	2

### 3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

The Company's CSR Policy has been uploaded on the website of the Company which contains the details of the composition of CSR committee and CSR projects approved by the board. The web link to CSR policy is <https://www.veritasfin.in/csr-policy.php>

### 4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

Not applicable.

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

Particulars	(in ₹ Lakhs)
Profit/(Loss) - 2024-25	46,508.89
Profit/(Loss) - 2023-24	35,686.56
Profit/(Loss) - 2022-23	23,743.84
Average PROFIT for CSR purpose	35,313.10

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

Particulars	(in ₹ Lakhs)
2% of average Profit/Loss for last three years *	706.30

\*Prescribed CSR Expenditure

### (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. - NIL

### (d) Amount required to be set off for the financial year, if any. - NIL

### (e) Total CSR obligation for the financial year [(b)+(c)-(d)]. - ₹ 706.30 Lakhs

6. (a) Amount spent on CSR Projects (both Ongoing Projects and other than Ongoing Projects) – ₹ 249.82 Lakhs  
 (b) Amount spent in Administrative Overheads- NIL  
 (c) Amount spent on Impact Assessment, if applicable - Not applicable  
 (d) Total amount spent for the Financial Year [(a)+(b)+(c)]- ₹ 249.82 Lakhs  
 (e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹ Lakhs)	Amount Unspent (in ₹ Lakhs)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount (in ₹ Lakhs)	Date of transfer	Name of the Fund	Amount (in ₹ Lakhs)	Date of transfer
249.82	456.48	April 20, 2026	NA	NA	NA

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

Sl. No.	Particular	Amount (in Lakhs ₹)
i.	Two percent of average net profit of the company as per section 135(5)	₹ 706.30 Lakhs
ii.	Total amount spent for the Financial Year	₹ 249.82 Lakhs
iii.	Excess amount spent for the financial year [(ii)-(i)]	NIL
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

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

S. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹ Lakhs)	Balance Amount in Unspent CSR Account under sub-section (6) of Section 135 (in ₹ Lakhs)*	Amount spent in the reporting Financial Year (in ₹ Lakhs)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.		Amount remaining to be spent in succeeding financial years (in ₹ Lakhs)	Deficiency, if any
					Amount (in ₹ Lakhs)	Date of transfer		
1.	FY 2022-23	NA	NA	NA	NA	NA	NA	NA
2.	FY 2023-24	151.30	28.06	28.06	NA	NA	0	NA
3.	FY 2024-25	357.70	357.70	117.51	NA	NA	240.19	NA

Note: \* Unspent balance as on April 01, 2025

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Yes/No

If Yes, enter the number of Capital assets created/ acquired: Please refer below.

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

Sl. No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent (in INR)	Details of entity/ Authority/ beneficiary of the registered owner		
					(1)	(2)	(3)
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
1	40 steel cots, steel table with drawers, student chairs for the hostel for special children at Presidency College, Chennai	600005	March 13, 2026 and March 30, 2026	4,53,120	NA	Presidency College	100, Kamarajar Salai, PWD Estate, Chepauk, Triplicane, Chennai, Tamil Nadu 600005

Sl. No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent (in INR)	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
2	18 medical equipment – Infusion Pumps, Patient Monitors, Transport Ventilator, and Operating table for the paediatric ward of Adyar Cancer Institute, Adyar, Chennai	600020	March 16, 2026	18,91,500	CSR00007235	Adyar Cancer Institute WIA	Cancer Institute (WIA), State Cancer Institute, Adyar, Chennai - 600 020
3*	Renovation and repair work at Government Higher Secondary School Nakkasalem, Perambalur – Repair of Terrace, replacement of windows and doors, renovation of flooring, upgrading the school auditorium, foldable mesh gate, painting works, and construction of additional blocks etc.	621118	September 14, 2025 and November 17, 2025. March 6, 2026, and March 30, 2026.	15,72,000	NA	Government School Nakkasalem, Perambalur	Government Higher Secondary School, Nakkasalem,(p.o), Alathur (T.K), Perambalur District – 621118.
4*	Renovation and repair work at Primary School, Ladapuram - Construction and strengthening of the compound wall, new toilet facilities for boys, girls, and staff, repair of damaged windows, doors, roofing, and flooring, comprehensive repainting and general refurbishment.	621101	January 7, 2026 and March 31, 2026	17,95,000	NA	Primary School, Ladapuram	Panchayat Union Primary School, Ladapuram (P.O.), Perambalur Taluk, Perambalur District – 621101.
5*	Renovation and repair work at Adi Dravidar Welfare School, Ladapuram - Construction and renovation of the compound wall, repair of damaged windows, doors, roofs, and flooring, and comprehensive painting and refurbishment works.	621101	January 7, 2026 and March 31, 2026	17,16,000	NA	Adi Dravidar Welfare School, Ladapuram	Government Adi Dravidar Welfare High School, Ladapuram, Perambalur District – 621101.
6*	Additional renovation work at Government High School, Ladapuram – Renovation of toilet blocks	621101	November 25, 2025 and February 3, 2026.	12,05,000	NA	Government High School, Ladapuram	Government High School, Ladapuram main road, Perambalur District – 621101.

\*Note: Pertains to ongoing projects initiated in FY 2024-25 and completed in 2025-26.

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

During the FY 2025-26, the Company has spent ₹ 249.82 Lakhs on various projects. The unspent balance of ₹ 456.48 Lakhs is towards various ongoing projects as identified and approved by the Board. The said amount has been transferred to a designated separate bank account namely 'Unspent CSR Account FY 2025-26' on April 20, 2026, including upon receipt of the amount from Veritas Foundation, and will be duly spent in accordance with the CSR Rules.

Sd/-  
**D. Arulmany**  
(Managing Director & CEO)  
DIN: 00009981

Sd/-  
**Susan Thomas**  
(Independent Director, Chairperson - CSR Committee)  
DIN: 09760548

Date: May 07, 2026  
Place: Chennai

# Appointment, remuneration and evaluation policy

## REVISION HISTORY

Sl. No.	Revision Details	Date
1	The existing policy includes the criteria for Nomination and Remuneration of Directors, Key Managerial Personnel, Senior Management and other employees and is now amended to include the provisions under the RBI' Scale Based regulations and Guidelines on Compensation of Key Managerial Personnel (KMP) and Senior Management in NBFCs. Accordingly, the nomenclature of the policy is also changed from "Directors' Appointment, remuneration and evaluation policy" to "Appointment, remuneration and evaluation policy".	27.04.2023
2	The policy is amended to incorporate the changes as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015,	09.01.2025

### Preamble:

Pursuant to Section 178 of the Companies Act, 2013 (the "Act"), requirements of the Reserve Bank of India and Regulation 19 read with Part D of Schedule II of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (the "SEBI LODR Regulations"), policy on Nomination and Remuneration of Directors, Key Managerial Personnel, Senior Management and other employees ("Policy") had been formulated including criteria for determining qualifications, positive attributes, independence of a director and other matters as required under the said Act and the SEBI LODR Regulations.

This Policy is also to align with the Reserve Bank of India ("RBI") Scale Based Regulations and RBI circular on guidelines on compensation of KMP and Senior Management in Non Banking Finance Companies ("NBFCs") to align the remuneration / compensation packages with prudent risk and ensure that all statutory mandates and the rules and directions issued under them are fully complied with.

### Definitions:

- Board or Board of Directors:** Board of Directors mean the board of directors of the Company.
- Company:** Company means Veritas Finance Limited.
- Independent Director:** Independent Director means a director referred to in Section 149(6) of the Act, as amended from time to time.
- Key Managerial Personnel or KMP:** Key Managerial Personnel means — (i) Chief Executive Officer ("CEO") and/or the Managing Director ("MD"), (ii) Chief Financial Officer ("CFO"), (iii) Company Secretary and Compliance Officer, and (iv) such other officer as may be prescribed.
- Nominee Director:** Director appointed by the major investor as per the terms of the Shareholders Agreement.
- Remuneration:** Remuneration means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

- Senior Management:** Senior Management means personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the Managing Director, including all functional heads.
- RBI Master Directions:** RBI Master Directions means Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated October 19, 2023, including amendments made thereto from time to time.

### The objectives of this policy:

- To evaluate the performance of the members of the Board.
- To develop and recommend to the Board a set of corporate governance principles, takes a leadership role in shaping the corporate governance of the Company.
- To make recommendations to the Board as to the size, composition, structure of the Board and also evaluation criteria of the Independent Directors, including chairman, conduct annual review of the performance of the Managing Director and/or Chief Executive Officer and also oversee the Company's Managing Director's and/or Chief Executive Officer's succession planning process.
- To guide the Board in relation to appointment and removal of directors, Key Managerial Personnel and Senior Management.
- To recommend to the Board on Remuneration payable to the directors, Key Managerial Personnel and Senior Management.

### Nomination and Remuneration Committee ("NRC" or "Committee"):

- Composition of the Nomination & Remuneration Committee:** The composition of the Committee to be in compliance with the Act, rules made thereunder, as amended from time to time. The Committee shall have the powers, functions and duties as laid down in the Act, rules made thereunder, and SEBI LODR Regulations, as amended from time to time.

## 2. Role of the Committee:

The role and responsibilities of the Committee shall include, but not be restricted to:

- a) To review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- b) Recommending to the Board a Policy relating to the remuneration for the directors, Key Managerial Personnel, Senior Management, [and other employees] and such other policies as may be required from time to time and to undertake periodic review of the same.
- c) To screen and review the identified proposals for considering appointment as Board members and make suitable recommendations to the Board for appointment of such individuals for directorships.
- d) Ensuring 'fit and proper' status of the proposed and existing directors and scrutinising the declarations received by the directors in this regard.
- e) Formulation of the criteria for determining qualifications, positive attributes and independence of a director
- f) To assess the independence of Independent Directors and non-executive directors;
- g) Determining whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Director.
- h) Formulating criteria for evaluation of the performance and to specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out by the Board and/or by the Nomination and Remuneration Committee.
- i) Devising a policy on Board diversity.
- j) To review the results of the Board performance evaluation process that relate to the composition of the Board;
- k) To make recommendations to the Board on the appointment or re-appointment of directors, Key Management Personnel, and Senior Management, and succession planning for directors, Key Management Personnel, and Senior Management, in particular the Chairman and the Chief Executive Officer. .
- l) To recommend remuneration payable to non-executive directors of the Company from time to time.
- m) Annual appraisal of the performance of the Managing Director and fixing his terms of remuneration in terms of the applicable laws and regulations. .
- n) Annual appraisal of the performance of the Key Management Personnel and Senior Management and fixing their terms of remuneration .
- o) Annual appraisal of the performance of the Senior Management i.e., Chief Risk Officer, Chief Audit Officer, and Chief Compliance Officer, and fixing their terms of remuneration based on the recommendations of the Risk Management Committee and the Audit Committee respectively.
- p) Administration of ESOP Schemes of the Company as approved from time to time.
- q) To consider giving stock options to the employees and also consider any other compensation-related issues or matters relating to the Company's employees.
- r) To work closely with risk management committee to achieve effective alignment between compensation and risks.
- s) Recommending such items and matters to the Board for their consideration and approval/ratification as may be required from time to time.
- t) Performing such other activities as may be delegated by the Board and/or prescribed under the Act, the SEBI LODR Regulations , [RBI Master Directions], and any other applicable rules, regulations, guidelines, clarifications, circulars, and notifications issued by the Government of India including Securities and Exchange Board of India, RBI any other regulatory authority from time to time.

The Board has the power to constitute / reconstitute the Committee from time to time in order to make it consistent with the Company's policy and applicable statutory requirement.

## 3. Key Principles

The Nomination and Remuneration Committee shall review and recommend to the Board, through its annual review process (or such periodicity as it deems appropriate), adopting the key principles of Remuneration.

- Benchmarked to appropriate market: The level and composition of Remuneration is reasonable and sufficient to attract, retain and motivate employees of the quality required to run the Company successfully.
- Adopt a Pay for Performance philosophy such that the relationship of Remuneration to performance is clear and meets appropriate performance benchmarks.
- Have an appropriate balance in pay mix: The Remuneration has a balance between fixed and variable pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals. For the Senior Management, variable pay shall be higher at higher levels of responsibility and subject to the following principles:

- a) It shall be commensurate with the role and prudent risk taking profile of KMPs and Senior Management employees;
- b) Can be reduced to zero based on performance at an individual, business-unit and company wide level.
- Be financially viable and relevant to market practices and commensurate to skills:
  - a) taking into account, financial position of the Company, trend in the industry, appointee's qualification, experience, past performance, past Remuneration, and any other relevant factors that the Committee may deem fit;
  - b) be in a position to bring about objectivity in determining the Remuneration package while striking a balance between the interest of the Company and the shareholders.
- The compensation of KMPs and Senior Management shall be aligned effectively with prudent risk taking to ensure that
  - a) compensation is adjusted for all types of risks;
  - b) the compensation outcomes are symmetric with risk outcomes;
  - c) compensation pay-outs are sensitive to the time horizon of the risks, and
  - d) the mix of cash, equity and other forms of compensation are consistent with risk alignment.
- Compliant with local laws:
  - a) Remuneration for Senior Management is in compliance with the relevant provisions of the Act.
  - b) Remuneration for all employees are in compliance with the relevant provisions of Payment of Wages Act, Minimum Wages Act, and such other relevant Labour Laws of the country as may be applicable to the Company from time to time.

#### 4. Compensation Governance:

- The Board of Directors must actively oversee the compensation system's design and operation,
 

The Board of Directors must monitor and review the compensation system to ensure the system operates as intended,
- Staff engaged in financial and risk control must be independent, have appropriate authority, and be compensated in a manner that is independent of the business areas they oversee and commensurate with their key role in Veritas.

#### 5. Appointment and removal of director, KMP and Senior Management: Appointment criteria and qualification:

The Committee shall ascertain the integrity, qualification, expertise and experience of the person, identified for appointment as Director and recommend to the Board his / her appointment after taking the prior consent from the RBI as per the "Fit and Proper" criteria guidelines of the RBI.

The NRC shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as director.

- I. Qualification, expertise and experience of the directors in their respective fields;
- II. Personal, Professional or business standing;
- III. Diversity of the Board.

For the appointment of KMP (other than Managing Director) or Senior Management, a person should possess adequate qualification, expertise and experience for the position he / she is considered for the appointment.

Further, for administrative convenience, the appointment of KMP (other than Managing Director) or Senior Management, the Managing Director is authorized to identify and appoint a suitable person for such position.

However, if the need be, the Managing Director may consult the Committee / Board for further directions / guidance.

Tenure of appointment: The Term of the directors including Managing Director / Independent Director shall be governed as per the provisions of the Act and rules made thereunder, as amended from time to time. Whereas the term of the KMP (other than the Managing Director) and Senior Management shall be governed by the prevailing HR policies of the Company.

#### Removal:

- A. **Employees:** Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder and / or for any disciplinary reasons and subject to such applicable Acts, rules and regulations and the Company's prevailing HR policies, employment agreements etc., the Committee may recommend, to the Board, with reasons recorded in writing, removal of a KMP or Senior Management.
- B. **Independent Director:** Disqualification shall be done on the following conditions as specified below:
  - a. Director incurs any of the disqualifications specified in section 164;
  - b. Director absents himself from all the meetings of the Board of Directors held during a period of

twelve months with or without seeking leave of absence of the Board;

- c. Director acts in contravention of the provisions of section 184 relating to entering into contracts or arrangements in which he is directly or indirectly interested;
- d. Director fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of section 184;
- e. Director becomes disqualified by an order of a court or a National Company Law Tribunal;
- f. Director is convicted by a court of any offence, whether involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months.

Under Section 169 of the Act which pertains to removal of directors, an independent director appointed for a second term shall be removed by the company only by passing a special resolution and after giving him a reasonable opportunity of being heard. Further, a special notice is required for removal of a director and such director is entitled to attend the general meeting and is eligible to be heard on the resolution at the meeting.

**C. Nominee Director:** The appointment and Removal of Investor Nominee Directors are as per the agreed terms mentioned in the Share Holders Agreement as amended from time to time.

## 6. Performance Evaluation of the Board, Committees and each of the Directors

Pursuant to the provisions of the Act, the Board will carry out annual performance evaluation of its own performance, its Committee's and the directors individually covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and

governance etc. A separate exercise to evaluate the performance of individual Directors including the Chairman of the Board / Committees will be evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc.

Framework for performance evaluation of Directors, Board and committees is as per Annexure A to this Policy.

## 7. Remuneration of Managing Director and/or Chief Executive Officer, KMP and Senior Management and other employees

The Remuneration / compensation / commission, etc., as the case may be, to the Managing

Director and/or Chief Executive Officer, KMPs and Senior Management will be determined by the Committee and recommended to the Board for approval. The Remuneration / compensation / commission, etc., as the case may be, shall be subject to the approval of the shareholders of the Company and Central Government, wherever required and shall be in accordance with the provisions of the Act and rules made thereunder.

Further, the Managing Director and/or Chief Executive Officer of the Company in consultation with the NRC is authorized to decide the remuneration of Senior Management, and which shall be decided by the Managing Director based on the standard market practice and prevailing HR policies of the Company.

The NRC Committee determines the annual variable pay compensation in the form of annual incentive and annual increment for the KMPs based on Company's and individual's performance as against the pre-agreed objectives for the year.

The KMPs, except a promoter director, if applicable, is also eligible for ESOPs as per the scheme in force from time to time. Grants under the Scheme shall be approved by the NRC Committee.

The compensation structure shall broadly comprise the following components:

1. Fixed Pay
2. Variable Pay

### Composition of Fixed Pay:

- The CTC consists of various components including basic salary, allowances and retires.
- Allowances include a basket of components including House Rent Allowance, Medical Reimbursement, Leave Travel Allowance & Special Allowance or any other allowance(s) introduced from time to time.
- Retires include statutory contributions such as Employer's contribution to Provident Fund, Leave Encashment & Gratuity. The Basic salary is determined as a fixed percentage of the Gross Salary to maximum extent possible, thereby ensuring prudent management of the compensation structure.

### Composition of Variable Pay:

The Variable pay serves as an effective instrument for managing employee costs in line with business cycles whilst simultaneously reinforcing a meritocratic performance culture. The variable compensation will consist of performance bonus/sales incentives as applicable to different roles. The variable pay for field frontline employees is given in the form of monthly incentives. Incentive payouts are based on individual performance targets. The details of the types of variable pay are as follows:

**Annual Performance Bonus (APB):** The KMPs and Senior executives of the Company, are eligible for the Annual

Performance Bonus. The APB is dependent on individual performance and the organisation's performance for the financial year. The performance rating assigned is based on the assessment of performance delivered against a set of defined performance objectives.

**ESOPs:** The KMPs and Senior executives are eligible for long-term incentive plan in the form of ESOPs, as per the scheme in force from time to time. Grants under the Scheme are approved by the NRC Committee.

**Insurance:** Based on the grade and seniority of employees, benefits for employees include: Health-related including health (hospitalization) insurance for self and family Life insurance covering accident, disability etc.,

**Car Scheme:** In addition to the above, the Executive Director and Senior Employees may also be eligible and be provided with Company Car, Mobile and such other benefits and such other perquisites as may be determined and issued from time to time based on the company policy.

**Retention pay:** The executive committee may decide to offer retention payment to certain senior or key employees as a means to retain them, based on the merits of exigencies, in the best interests of the Company.

## 8. Compensation for Risk Control and Compliance Staff:

To ensure a robust Risk Management and Control Mechanism, it is intended that KMPs and Senior Management engaged in financial control, risk management, compliance and internal audit are compensated in a manner that is independent of the business areas they oversee and commensurate with their key role in the company. Accordingly, the company shall ensure that the mix of fixed to variable compensation for control function is weighted in favour of fixed compensation and in line with the RBI guidelines for NBFCs.

## 9. Malus and Clawback:

**Malus:** Malus arrangement is applicable for all types of variable pay (Cash / Deferred cash / ESOP / Deferred Incentive Plan / Bonus), which is not yet vested/paid, or vested but not paid/exercised.

Payment of all, or part, amount of Variable Pay can be secured under Malus.

**Clawback:** Previously paid or already vested Variable Pay can also be recovered under this clause. This arrangement is applicable either fully or partially for all types of variable pay. The clawback will be applicable to employees even after their separation from the Company.

**Malus & Clawback may be applied under the following circumstances:**

- a. Fraud, misfeasance, breach of trust, dishonesty, or wrongful disclosure by the employee of any confidential information pertaining to the Company;
- b. Willful misinterpretation / misreporting financial performance of the Company;

- c. Material failure in risk management controls or material losses due to negligence in risk-taking which are attributable to the employee, whether directly or indirectly;
- d. Any misconduct pertaining to moral turpitude, theft, misappropriation, corruption, forgery, embezzlement, or an act of a felonious or criminal nature;
- e. Non-disclosure of material conflict of interest by the employee or any misuse of official powers;
- f. An act of willful, reckless, or grossly negligent conduct which is detrimental to the interest or reputation of the company monetarily or otherwise;
- g. Any breach of the Code of Conduct, Non-Disclosure Agreement, regulatory procedures, internal rules, and regulations, or any other such instance for which the NRC/MD, in their discretion, may deem it necessary to apply malus or / and clawback provisions;

**Malus may be applied under the following additional circumstances:**

- a. Deterioration of financial performance of the Company going into losses in the Profit after Tax from one financial year to the next; or vs budget for the year; or any other criteria laid down by the NRC / MD from time to time;
- b. In case any deferred / LTI plan is issued which is linked to the performance of an employee and the defined performance parameters are not met by the employee
- c. On Resignation or separation of the employee from services of the Company

In deciding the application of malus/clawback to any part or all of variable pay or incentives (whether paid, vested or unvested), the NRC / MD will follow due process and adhere to the principles of natural justice and proportionality. Further, in assessing the quantum of cancellation/withdrawal, the NRC/MD will take into consideration all relevant factors, including inter alia, internal factors such as the role and responsibilities of the employee, culpability and proximity to the misconduct as well as any external factors, including but not restricted to exception situations like Covid19, that may have been beyond the control of the employee concerned.

Under certain circumstances, the company may decide not to issue any new grants / approve any variable pay / incentive pay for the year, or for a specific period, to an employee individually, or to a group of employees collectively, or to all employees.

## 10. Remuneration to Independent Director

Independent Directors are paid remuneration by way of Sitting Fees as approved by the shareholders.

The sitting fee payable to the Independent Director for attending the Board and Committee meetings is fixed subject

to the statutory ceiling. The fee is reviewed periodically and aligned to comparable best in class practices.

The independent directors of the company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of management. A resolution will be passed in the Board for payment of sitting fees to the independent Directors for attending the meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board. Section 197 of the Act also provides for the payment of Commission to Independent Directors up to a maximum of 1% of the net profit of the Company as determined by the Board from time to time.

The sitting fees, as the case may be, to the Independent Director, shall be in accordance with the provisions of the Act and the Rules made thereunder for the time being

in force or as may be decided by the Committee / Board / shareholders.

#### **11. Policy Review**

Subject to the approval of the Board, the Nomination & Remuneration Committee reserves the right to review and amend this policy, if required, to ascertain its appropriateness as per the needs of the Company. This policy may be amended by passing a resolution at a meeting of the Nomination and Remuneration Committee and wherever required the recommendation to the Board will be made for its approval.

#### **12. Dissemination of Policy**

The Policy shall be available on the website of the Company i.e., <https://www.veritasfin.in/>.

## Annexure A

The evaluation framework for assessing the performance of Directors comprises of the following key areas:

- Expertise;
- Objectivity and Independence;
- Guidance and support in context of life stage of the Company;
- Understanding of the Company's business;
- Understanding and commitment to duties and responsibilities;
- Willingness to devote the time needed for effective contribution to Company;
- Participation in discussions in effective and constructive manner;
- Responsiveness in approach; and
- Ability to encourage and motivate the Management for continued performance and success.

The evaluation involves assessment of each member of the Board, by the Directors excluding the person who is being evaluated. A member of the Board will not participate in the discussion of his / her evaluation.

### MATRIX FOR EVALUATION OF INDEPENDENT DIRECTOR

S. No.	Criteria of Evaluation	Rating				Remarks
		1	2	3	4	
1.	Attendance and participation in the meetings	NA	NA	NA	NA	NA
2.	Raising of concerns to the Board					
3.	Safeguarding of confidential information					
4.	Rendering independent, unbiased opinion and resolution of issues at meetings					
5.	Initiative in terms of new ideas and planning for the Company					
6.	Safeguarding interest of whistle-blowers under vigil mechanism					
7.	Timely inputs on the minutes of the meetings of the Board and Committees, if any					

Rating:

- 1 - Always
- 2 - Mostly
- 3 - Sometimes
- 4 - Occasionally

## MATRIX FOR EVALUATION OF INDEPENDENT DIRECTOR

S. No.	Criteria of Evaluation	Rating				Remarks
		1	2	3	4	
1.	Attendance and participation in the meetings	NA	NA	NA	NA	NA
2.	Raising of concerns to the Board					
3.	Safeguarding of confidential information					
4.	Rendering independent, unbiased opinion and resolution of issues at meetings					
5.	Initiative in terms of new ideas and planning for the Company					
6.	Safeguarding interest of whistle-blowers under vigil mechanism					
7.	Timely inputs on the minutes of the meetings of the Board and Committees, if any					

Rating:

1 - Always

2 - Mostly

3- Sometimes

4- Occasionally

# Corporate Governance Report

Corporate Governance is the commitment of an organization to follow ethics, fair practices and transparency in all its dealings with its various stakeholders such as Customers, Employees, Lenders, Investors, Government, Regulators, Vendors, and the Community at large. Sound corporate governance is the result of external marketplace commitment and legislation plus a healthy Board culture which directs the policies and philosophy of the organization. Your Company is committed to good Corporate Governance in all its activities.

## Corporate Governance Philosophy

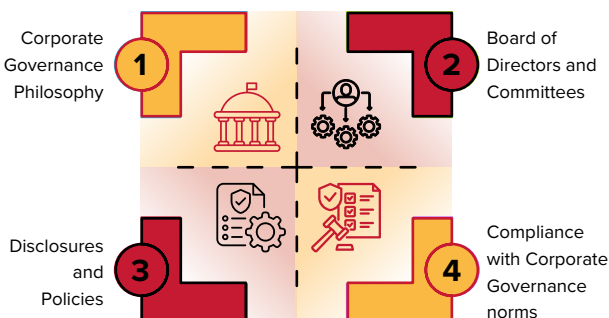
Veritas Finance Limited’s philosophy on corporate governance envisages adherence to the highest levels of accountability, transparency, and fairness, in areas of its operations and in all interactions with its stakeholders. The Board shall work to ensure the success and continuity of the Company’s business through the appointment of qualified management and through on-going monitoring to assure the Company’s activities are conducted in a responsible, ethical and transparent manner.

Veritas has an active, experienced, diverse and a well-informed Board. Through the governance mechanism in the Company, the Board, along with its Committees, adopts best environmental, social and governance practices that support ethical leadership, sustainability and good corporate citizenship.

Veritas is in compliance with the Corporate Governance requirements as mandated by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”) in letter and in spirit. A Report on compliance with the Code of Corporate Governance as stipulated in the Listing Regulations for the year ended March 31, 2026 (year under review) and developments up to the date of this report are given below.

The key pillars of Corporate Governance are transparency, accountability, and compliance in both letter and spirit to form the foundation of our Company. We integrate industry-leading practices into our corporate secretarial function to uphold the highest standards of governance and integrity.

**This report will enlighten our shareholders with insights into following areas:**



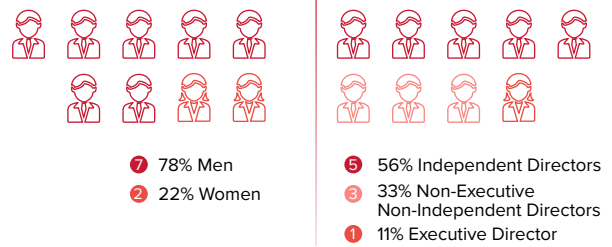
## Board of Directors

In terms of the Corporate Governance philosophy all statutory and other significant material information is placed before the Board of Directors and the Committee of directors to enable it to discharge its responsibility of strategic supervision of the Company as trustees of the Shareholders.

The composition of the Board of the Company is in conformity with the provisions of the Companies Act, 2013 (“the Act”) and the Listing Regulations, as amended from time to time. As at March 31, 2026, the Board consisted of nine Directors. There are five Independent Directors, three Nominee Directors of the Investors apart from the Managing Director and CEO.

### Board Composition as on March 31, 2026:

#### Board - Demographics and Diversity



**93%**

Average attendance rate at Board meetings

**3.1 years**

Average tenure of Independent Directors

**8 out of 9**

Committee Chairpersons are Independent Directors

The Directors possess strong academic backgrounds and bring extensive and diverse experience across corporate management, banking, finance, economics, marketing, digitisation, analytics, strategy, and related fields. Their combined expertise enables them to actively contribute in Board and Committee meetings by providing strategic insights, constructive guidance, and well-informed advice, thereby enhancing the overall effectiveness and quality of the Board’s decision-making.

Detailed profile of the Directors is available on the Company’s website at the web-link: <https://www.veritasfin.in/board-of-directors.php>

## COMPOSITION OF THE BOARD

Composition and other details of Board of Directors as on March 31<sup>st</sup> 2026:



**Mr. Raj Vikash Verma,**  
Chairman and Independent Director  
DIN: 03546341

**Nationality:** Indian  
**Age:** 71  
**Date of Appointment on Board:** July 16, 2024  
**Term Ending Date:** July 16, 2029  
**Capacity (Executive / Non-Executive / Chairman / Nominee / Independent):** Non- Executive Chairman & Independent Director.  
**Qualifications and other details in brief:** He holds a bachelor's degree in Economics (Honours) from Hindu College, University of Delhi, Delhi and Master's degree in economics from The Delhi School of Economics, University of Delhi, Delhi. He also holds a Master of Business Administration from University of Delhi, Delhi. He is also a member of the Indian Institute of Banking & Finance. He has over 34 years of experience in banking.  
**Number of Other Directorships:** 4  
**Sitting Fees (in INR):** ₹6,60,000/-  
**Commission (in INR):** ₹35,00,000/-  
**No. of shares held in and convertible instruments held in the NBFC:** NIL



**Mr. D. Arulmany**  
Managing Director & Chief Executive Officer  
DIN: 00009981

**Nationality:** Indian  
**Age:** 63  
**Date of Appointment on Board:** April 30, 2015.  
**Term Ending Date:** July 02, 2030  
**Capacity (Executive / Non-Executive / Chairman / Nominee / Independent):** Managing Director & CEO (First Director)  
**Qualifications and other details in brief:** He holds a bachelor's degree in business administration from Madurai Kamaraj University, Madurai, Tamil Nadu and a postgraduate diploma in Rural Management from (PGDRM) Institute of Rural Management, Anand. He has also completed a global programme for management development from University of Michigan Business School, Michigan. He has over 25 years of experience in the financial services industry.  
**Number of Other Directorships:** Nil  
**Salary & Other Compensation (in INR):** ₹3,94,31,252  
**No. of shares held in and convertible instruments held in the NBFC:** 1,24,49,491.



**Mr. Mathew Joseph**  
Independent Director  
DIN: 01033802

**Nationality:** Indian  
**Age:** 65  
**Date of Appointment on Board:** November 24, 2023  
**Term Ending Date:** November 24, 2028  
**Capacity (Executive / Non-Executive / Chairman / Nominee / Independent):** Non-Executive & Independent Director  
**Qualifications and other details in brief:** He is a member of the Institute of Chartered Accountants of India. He has over 36 years of experience in financial industry.  
**Number of Other Directorships:** 4  
**Sitting Fees (in INR):** ₹11,60,000/-  
**Commission (in INR):** ₹25,00,000/-  
**No. of shares held in and convertible instruments held in the NBFC:** NIL



**Mr. Sankarson Banerjee**  
Independent Director  
DIN: 07407346

**Nationality:** Indian  
**Age:** 56  
**Date of Appointment on Board:** March 27, 2024  
**Term Ending Date:** March 27, 2029  
**Capacity (Executive / Non-Executive / Chairman / Nominee / Independent):** Non-Executive & Independent Director  
**Qualifications and other details in brief:** He holds a bachelor's degree in engineering from Indian Institute of Kharagpur, West Bengal and a post-graduate diploma in management from Indian Institute of Management, Calcutta, West Bengal. He has over 20 years of experience in IT sector.  
**Number of Other Directorships:** 5  
**Sitting Fees (in INR):** ₹11,10,000/-  
**Commission (in INR):** ₹ 25,00,000/-  
**No. of shares held in and convertible instruments held in the NBFC:** NIL

**Ms. Susan Thomas**

**Independent & Women Director**  
DIN: 09760548

**Nationality:** Indian

**Age:** 59

**Date of Appointment on Board:** July 16, 2024

**Term Ending Date:** July 16, 2029

**Capacity (Executive / Non-Executive / Chairman / Nominee / Independent):** Non-Executive & Independent Director

**Qualifications and other details in brief** She holds a bachelor's degree in Arts from The Women's Christian College, University of Madras, Chennai and a master's degree in Arts from University of Madras, Chennai. She also holds a doctor of philosophy from Indian Institute of Technology, Madras, Chennai. She has over 18 years of experience in Human Resources.

**Number of Other Directorships:** 1

**Sitting Fees (in INR):** ₹7,60,000/-

**Commission (in INR):** ₹ 25,00,000/-

**No. of shares held in and convertible instruments held in the NBFC:** NIL

**Ms. Priyamvada Ramkumar**

**Nominee Director of Lok Capital Growth Fund**  
DIN: 07878808

**Nationality:** Indian

**Age:** 43

**Date of Appointment on Board:** October 12, 2018

**Term Ending Date:** NA

**Capacity (Executive / Non-Executive / Chairman / Nominee / Independent):** Non- Executive & Nominee Director of Lok Capital Growth Fund

**Qualifications and other details in brief:** She holds a bachelor's degree in commerce from Stella Maris College, Chennai, Tamil Nadu and a postgraduate diploma in business management from XLRI School of Management, Jamshedpur, Jharkhand. She has over 18 years of experience in investment & commercial banking

**Number of Other Directorships:** 2

**Salary & Other Compensation (in INR):** NA

**No. of shares held in and convertible instruments held in the NBFC:** NIL

**Mr. Suresh Subramanian**

**Independent Director**  
DIN: 02070440

**Nationality:** Indian

**Age:** 65

**Date of Appointment on Board:** November 24, 2023.

**Term Ending Date:** Resigned effective from close of business hours of March 31, 2026.

**Capacity (Executive / Non-Executive / Chairman / Nominee / Independent):** Non-Executive & Independent Director

**Qualifications and other details in brief:** Mr. Suresh Subramanian has wide experience of over 40 years in auditing and accounting profession having worked with many of the big four accounting firms in India. He has served as an Independent Director on the Boards of Ramco Industries Limited, listed company and Villgro, a not-for-profit social impact organization. Mr. Suresh Subramanian is a Fellow Member of the Institute of Chartered Accountants of India and is a Bachelor of Commerce graduate from Shriram College of Commerce, University of Delhi.

**Number of Other Directorships:** 7

**Salary & Other Compensation (₹ in Lakhs):** NA

**Sitting Fees (in INR):** ₹10,10,000 /-

**Commission (in INR):** ₹ 25,00,000/-

**No. of shares held in and convertible instruments held in the NBFC:** NIL

**Mr. Parin Nalin Mehta**

**Nominee Director of Kedaara Capital Fund II LLP.**  
DIN: 08528090

**Nationality:** Indian

**Age:** 50

**Date of Appointment on Board:** February 04, 2022

**Term Ending Date:** NA

**Capacity (Executive / Non-Executive / Chairman / Nominee / Independent):** Non- Executive & Nominee Director of Kedaara Capital Fund II LLP.

**Qualifications and other details in brief:** He holds a bachelor's degree in electronics and telecommunication engineering from Vivekananda Education Society's Institute of Technology, University of Mumbai, Mumbai, Maharashtra and a post graduate diploma in business management (finance) from Sydenham Institute of Management Studies and Research and Entrepreneurship Education, Mumbai, Maharashtra. He has over 21 years of experience in private equity

**Number of Other Directorships:** 1

**Salary & Other Compensation (in INR):** NA

**No. of shares held in and convertible instruments held in the NBFC:** NIL



**Mr. Sudhir Narayanankutty Variyar**

**Nominee Director of Multiples**

**Private Equity Fund III**

**DIN: 00168672**

**Nationality:** Indian

**Age:** 55

**Date of Appointment on Board:** July 07, 2023

**Term Ending Date:** NA

**Capacity (Executive / Non-Executive / Chairman / Nominee / Independent):** Non- Executive & Nominee Director of Multiples Private Equity Fund III

**Qualifications and other details in brief:** He holds a Bachelor's degree in Chemical Engineering from Banaras Hindu University, Uttar Pradesh and a post graduate diploma (PGDM) from Indian Institute of Management, Calcutta, West Bengal.

**Number of Other Directorships:** 5

**Salary & Other Compensation (in INR):** NA

**No. of shares held in and convertible instruments held in the NBFC:** NIL

**Composition and other details of Board of Directors as on March 31, 2026:**

Sl. No.	Name of Director	Director (from & period)	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter / nominee/ Independent)	DIN	Number of Board Meetings		No. of other Directorships	Remuneration			No. of shares held in and convertible instruments held in the NBFC
					Held#	Attended		Salary and other compensation (in Lakhs ₹)	Sitting Fee (in Lakhs ₹)	Commission to be entered for the Directors (in Lakhs ₹)	
1	Mr. Raj Vikash Verma	From July 16, 2024 till July 16, 2029	Non- Executive Chairman & Independent Director	03546341	6	6	4	NA	6.60	35.00	NIL
2	Mr. D. Arulmany	From April 30, 2015 till July 02, 2030	Managing Director & CEO (First Director)	00009981	6	6	NIL	394.31	NA	NIL	1,24,49,491
3	Ms. Priyamvada Ramkumar	From October 12, 2018, Re-appointed on July 21, 2025	Non- Executive & Nominee Director of Lok Capital Growth Fund	07878808	6	4	2	NA	NA	NIL	NIL
4	Mr. Parin Mehta	From February 04, 2022, till date	Non- Executive & Nominee Director of Kedaara Capital Fund II LLP	08528090	6	4	NIL	NA	NA	NIL	NIL
5	Mr. Sudhir Narayanankutty Variyar	From July 07, 2023, till date	Non- Executive & Nominee Director of Multiples Private Equity Fund III	00168672	6	6	5	NA	NA	NIL	NIL
6	Mr. Mathew Joseph	From November 24, 2023 till November 24, 2028	Non- Executive & Independent Director	01033802	6	6	4	NA	11.60	25.00	NIL
7	Mr. Suresh Subramanian*	From November 24, 2023 till March 31, 2026. (Resigned)	Non- Executive & Independent Director	02070440	6	6	7	NA	10.10	25.00	NIL

Sl. No.	Name of Director	Director (from & period)	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter / nominee/ Independent)	DIN	Number of Board Meetings		No. of other Director-ships	Remuneration			No. of shares held in and convertible instruments held in the NBFC
					Held*	Attended		Salary and other compensation (in Lakhs ₹)	Sitting Fee (in Lakhs ₹)	Commission to be entered for the Directors (in Lakhs ₹)	
8	Mr. Sankarson Banerjee	From March 27, 2024 till March 27, 2029	Independent Director	07407346	6	6	5	NA	11.10	25.00	NIL
9	Ms. Susan Thomas	From July 16, 2024 till July 16, 2029	Independent Director	09760548	6	6	1	NA	7.60	25.00	NIL

\*Attendance calculated for meetings attended during the Director's tenure.

\* Resigned from the Board effective close of business hours of March 31, 2026.

All the meetings of the Board held during FY 2025-26 were conducted in person/ physical form with option/ facility to the Directors to participate via Video-Conferencing.

During FY 2025-26, the Company did not advance loans to any of its Directors, their relatives or any firms in which they are interested.

## BOARD MEETINGS AND ATTENDANCE THEREAT

During the financial year ended March 31, 2026, six (6) Board Meetings were held with a gap of not more than 120 days between any two meetings. The requisite quorum was present for all the Meetings.

The details of attendance of Directors at the Board Meetings held during the financial year under review is as under:

Name of Directors	1	2	3	4	5	6	% of attendance of a Director across all Board meetings
	April 30, 2025	July 22, 2025	August 13, 2025	October 29, 2025	February 04, 2026	March 20, 2026	
Mr. Raj Vikash Verma							100%
Mr. D. Arulmany							100%
Ms. Priyamvada Ramkumar							66.67%
Mr. Parin Mehta							66.67%
Mr. Sudhir Narayanankutty Variyar							100%
Mr. Mathew Joseph							100%
Mr. Suresh Subramanian							100%
Mr. Sankarson Banerjee							100%
Ms. Susan Thomas							100%
% of attendance of Board as a whole at each Board meeting	100%	88.89%	100%	88.89%	100%	77.78%	

Attended-in-person | Leave of absence | Attended through video conference

All the meetings of the Board held during FY 2025-26 were conducted in physical form with an option to the Directors to participate via VC. Attendance and percentage are calculated for meetings attended during the Director's tenure.

## CORE SKILLS/ EXPERTISE/COMPETENCIES OF THE BOARD OF DIRECTORS:

The Directors of the Company bring with them a wide range of skills and experience to the Board, which enhances the quality of the Board's decision-making process.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors have identified the following core skills / expertise / competencies / special knowledge or practical experience, as required in the context of the Company's business and sector(s) for it to function effectively. The same are in line with the applicable laws and relevant circulars issued by the regulators from time to time. It is also confirmed that the directors possess these skills and competencies to ensure effective functioning of the Company.

Sr. No.	Core skills/expertise/competencies
1.	Financial Services
2.	Management and Governance
3.	Consumer behaviour, sales, marketing and customer experience
4.	Technology and Digital Innovation
5.	Understanding of accounting and financial statements
6.	Risk, Assurance and Internal Controls
7.	Regulatory, Public policy and economics
8.	Human Resource
9.	Business Transformation and Strategy
10.	Investments and Capital Markets
11.	Any other matter the special knowledge of, and practical experience in, which would be useful to the Company's business / sectors.

The chart/matrix of such core skills/expertise/competencies, along with the names of directors who possess such skills is given below:

Name of the Director	Designation	Skills/ Expertise/Competencies of the Board of Directors
Mr. Raj Vikash Verma	Chairman and Independent Director	<ul style="list-style-type: none"> <li>Financial Services</li> <li>Management and Governance</li> <li>Consumer behaviour, sales, marketing and customer experience</li> <li>Understanding of accounting and financial statements</li> <li>Risk, Assurance and Internal Controls</li> <li>Regulatory, Public policy and economics</li> <li>Business Transformation and Strategy</li> <li>Experience in dealing with the Government and Regulators and external stakeholders</li> </ul>
Mr. Mathew Joseph	Independent Director	<ul style="list-style-type: none"> <li>Financial Services</li> <li>Management and Governance</li> <li>Consumer behaviour, sales, marketing and customer experience</li> <li>Understanding of accounting and financial statements</li> <li>Risk, Assurance and Internal Controls</li> <li>Regulatory, Public policy and economics</li> <li>Human Resource</li> <li>Business Transformation and Strategy</li> </ul>
Mr. Suresh Subramanian	Independent Director	<ul style="list-style-type: none"> <li>Financial Services</li> <li>Management and Governance</li> <li>Technology and Digital Innovation</li> <li>Understanding of accounting and financial statements</li> <li>Risk, Assurance and Internal Controls</li> <li>Regulatory, Public policy and economics</li> <li>Business Transformation and Strategy</li> </ul>
Ms. Susan Thomas	Independent Director	<ul style="list-style-type: none"> <li>Human Resource</li> <li>Financial Services</li> <li>Management and Governance</li> <li>Consumer behaviour, sales, marketing and customer experience</li> <li>Business Transformation and Strategy</li> <li>Special knowledge and practical experience in CSR and the NGO sector</li> </ul>

Name of the Director	Designation	Skills/ Expertise/Competencies of the Board of Directors
Mr. Sankarson Banerjee	Independent Director	<ul style="list-style-type: none"> <li>Financial Services</li> <li>Management and Governance</li> <li>Technology and Digital Innovation</li> <li>Understanding of accounting and financial statements</li> <li>Risk, Assurance and Internal Controls</li> <li>Regulatory, Public policy and economics</li> <li>Business Transformation and Strategy</li> </ul>
Mr. Sudhir Narayanankutty Variyar	Nominee Director of Multiples Private Equity Fund III	<ul style="list-style-type: none"> <li>Financial Services</li> <li>Management and Governance</li> <li>Understanding of accounting and financial statements</li> <li>Risk, Assurance and Internal Controls</li> <li>Regulatory, Public policy and economics</li> <li>Human Resource</li> <li>Business Transformation and Strategy</li> <li>Investments and Capital Markets</li> </ul>
Mr. Parin Nalin Mehta	Nominee Director of Kedaara Capital Fund II LLP	<ul style="list-style-type: none"> <li>Financial Services</li> <li>Consumer behaviour, sales, marketing and customer experience</li> <li>Understanding of accounting and financial statements</li> <li>Human Resource</li> <li>Business Transformation and Strategy</li> <li>Technology and Digital innovation</li> <li>Investments and Capital Markets</li> </ul>
Ms. Priyamvada Ramkumar	Nominee Director of Lok Capital Growth Fund	<ul style="list-style-type: none"> <li>Financial Services</li> <li>Management and Governance</li> <li>Understanding of accounting and financial statements</li> <li>Business Transformation and Strategy</li> <li>Investments and Capital Markets</li> </ul>
Mr. D. Arulmany	Managing Director & CEO	<ul style="list-style-type: none"> <li>Financial Services</li> <li>Management and Governance</li> <li>Consumer behaviour, sales, marketing and customer experience</li> <li>Understanding of accounting and financial statements</li> <li>Risk, Assurance and Internal Controls</li> <li>Human Resource</li> <li>Business Transformation and Strategy</li> <li>Regulatory, Public policy and economics</li> </ul>

### Changes in Board Constitution:

The Board, as a part of its succession planning, periodically reviews its composition to ensure that the same is closely aligned with the strategy and long-term needs of the Company. The following change in the Board composition was taken note by the Nomination and Remuneration Committee (“NRC”) and by the Board of Directors of the Company during the year under review.

Sl. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (Resignation, appointment)	Effective date
1	Mr. Suresh Subramanian (DIN: 02070440)	Non- Executive & Independent Director	Resignation– Mr. Suresh Subramanian resigned from the Board effective close of business hours of March 31, 2026, due to personal reasons. He has also confirmed that there are no material reasons for his resignation.	March 31, 2026.

During the previous financial year ended March 31, 2025, the following were the changes in the Board constitution:

Sl. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (Resignation, appointment)	Effective date
1	Mr. Raj Vikash Verma (DIN: 03546341)	Chairman and Non-Executive Independent Director	<b>Appointment</b> – Mr. Raj Vikash Verma was appointed as the Additional Director (Chairman and Independent Director) in the Board Meeting held on July 16, 2024. <b>Regularisation – Change in designation.</b> Mr. Raj Vikash Verma who was appointed as the Additional Director was regularised as the Independent Director in the Extra - Ordinary General Meeting of the Company held on September 30, 2024.	July 16, 2024
2	Ms. Susan Thomas (DIN: 09760548)	Non- Executive & Independent Director	<b>Appointment</b> – Ms. Susan Thomas was appointed as the Additional and Independent Director in the Board Meeting held on July 16, 2024. <b>Regularisation – Change in designation.</b> Ms. Susan Thomas who was appointed as the Additional and Independent Director was regularised as the Independent Director in the Extra - Ordinary General Meeting of the Company held on September 30, 2024.	July 16, 2024
3	Mr. Abhijit Sen (DIN: 00002593)	Non- Executive & Independent Director	<b>Cessation</b> – Mr. Abhijit Sen, Independent Director, ceased to be an Independent Director on completion of his second and final tenure with effect from May 21, 2024.	May 21, 2024
4	Mr. M Sivaraman (DIN: 02045100)	Non- Executive & Independent Director	<b>Cessation</b> – Mr. M Sivaraman, Independent Director ceased to be an Independent Director on completion of his second and final tenure with effect from May 21, 2024.	May 21, 2024
5	Mr. N Mohanraj (DIN: 00181969)	Non- Executive & Independent Director	<b>Cessation</b> – Mr. N Mohanraj, Independent Director ceased to be an Independent Director on completion of his second and final tenure with effect from May 21, 2024.	May 21, 2024

### Pecuniary Relationship with Directors

Apart from the remuneration that the eligible Directors would be entitled to under the Act, none of the Directors have any other pecuniary relationships or transactions with the Company, its Subsidiaries or Associates, or its Directors, during the two immediately preceding financial years or during the current financial year. None of the Directors of the Company are inter-se related to each other.

### Succession Planning

The Nomination and Remuneration Committee works with the Board on the succession plan of directors and senior management team of the Company to ensure orderly succession and preparedness both for planned transitions and unforeseen events. The Company strives to maintain an appropriate balance of skills and experience within the organization and the Board in an endeavour to introduce new perspectives while maintaining experience and continuity.

In addition, Nomination and Remuneration Committee also highly recommends promoting the senior management within the organization which helps in fuelling the ambitions of the

talent force to earn future leadership roles. The dedication and hard work of our employees have been the foundation of our achievements for decade. Each year, we strengthen this advantage by investing in talent development and fostering an environment where individuals can grow and realize their full potential. The Company has a Board-approved Succession Planning Policy for the appointments to the Board and to the Senior Management.

### Management Team

The Management of the Company comprises Senior Executives from different functions headed by the Managing Director & Chief Executive Officer who operates under the supervision and control of the Board. The Board reviews and approves strategy and oversees the actions and results of Management to ensure that the long-term objectives of enhancing stakeholders value are met.

The Senior Management of Veritas have confirmed that there have been no material financial and commercial transactions between them and the Company during FY 2025-26 which could have potential conflict of interest with the Company at large.

### Compliance with Directorship Limits

On the basis of disclosures received from the Directors, it is confirmed that, as on March 31, 2026, none of the Directors of the Company:

- holds Directorship positions in more than twenty companies (including ten public limited companies and seven listed companies); and
- is a member of more than ten Committees and/or Chairperson of more than five Committees, across all the Indian public limited companies in which they are Directors.
- is on the Board of more than three NBFCs (NBFC-ML or NBFC-UL) at the same time, and that no conflict of interest arises from their directorships in other NBFCs.

The above compliances were met throughout the year.

### Board confirmation regarding independence of the Independent Directors

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act read with Rules framed thereunder, and Regulation 16(1)(b) of the Listing Regulations. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

Based on the disclosures received from all the Independent Directors, the Board, after taking these declarations/ disclosures on record, opined that the Independent Directors fulfil the conditions of independence as prescribed under the Act and the Listing Regulations, are persons of integrity, possess the relevant expertise, proficiency, and experience to qualify and continue as Independent Directors of the Company and are Independent of the Management.

### Separate Meeting of Independent Directors

During the year under review, in line with the requirement under section 149(8) and schedule IV of the Act, the Independent Directors had a separate meeting on March 20, 2026, without the presence of the non-independent directors and management team wherein they put forth their views and discussed the matters relating to Company's affairs.

At this meeting, the Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole, reviewed the performance of the Chairman of the Company, assessed the quality, quantity, and timeliness of the flow of information between the Management and the Board and its Committees that is necessary for the Board to effectively and reasonably perform and discharge its duties. The meeting was attended by all the Independent Directors and suggestions provided by them were well received by the management for implementation.

The independent directors of the Company provide an annual certificate of independence in accordance with section 149(7) of the Act, to the Company which is taken on record by the Board.

The attendance details of separate meeting of Independent Directors for the year ended March 31, 2026, are given below:

Name of the Members	No. of meetings held during the year	No. of Meetings Attended
Mr. Raj Vikash Verma	1	1
Mr. Mathew Joseph	1	1
Ms. Susan Thomas	1	1
Mr. Sankarson Banerjee	1	1
Mr. Suresh Subramanian	1	1

### Separate Meeting of Audit Committee members with Credit Rating Agency

In compliance with the provisions of SEBI Circular No. SEBI/HO/MIRSD/CRADT/CIR/P/2019/121 dated November 04, 2019, the Members of the Audit Committee interact with the Credit Rating Agencies ("CRAs") at a separate Audit Committee Meeting on annual basis. Accordingly, separate meeting with Credit Rating Agencies was held on January 12, 2026, to inter alia discuss matters including internal financial controls and other material disclosures made by the Company.

### Familiarisation Programme for Directors:

The Company has implemented a structured orientation programme for all Independent Directors at the time of their appointment. This programme is designed to familiarise them with

the Company, including its operations, business model, industry dynamics, and the regulatory environment in which it operates.

In accordance with the provisions of the Act and Regulation 25(7) of the Listing Regulations, the Company conducted familiarisation programmes during the year through periodic briefings at Board and Committee meetings for all Directors, including Independent Directors. These programmes, inter alia, covered the following:

- Quarterly reviews including Business performance update and financial review;
- Presentations made by Internal Auditors and Statutory Auditors;
- Updates on Risk Management including identification, mitigation and management of various risk including credit risk, operation risks, emerging risks, etc.;

- Review of the Company's strategic investments and business opportunities;
- Industry outlook and competitive landscape updates;
- Update on Information Technology Framework and strategy including Digitalization initiatives, IT Outsourcing activities, IT related policies and audit reports;

### Board Procedures

The Board and its Committees meet at regular intervals to discuss and decide on the Company's business policies and strategies apart from statutory and other routine matters.

### Overall Strategic Direction and Periodical Review of Matters by the Board and its Committees

The Board provides the overall strategic direction and conducts structured reviews by itself or through its Committees, which comprehensively encompass all the facets of Company operations including periodical review of strategy and business plans, annual operating and capital expenditure budgets, fund raising proposals, default in financial obligations, if any, investments and exposure limits, RBI Inspection reports, approval and adoption of quarterly/half-yearly/annual results, risk assessment and minimization procedures, stakeholder relationship matters, Policies, compliance report(s) of all laws applicable to the Company, as well as steps taken to rectify instances of non-compliances, if any, review of major legal issues, minutes of the Committees of the Board, etc.

### Information and presentations at Meetings

To enable the Board to discharge its responsibilities effectively and take informed decisions, the Board is apprised at every

quarterly Board Meeting on the overall performance of the Company, as well as the current market conditions including the Company's business and the regulatory scenario, followed by presentations on financial performance of the Company. Functional and other updates are also presented to the Board on periodical basis.

### Governance & Compliance Highlights

- Summaries of all important proposals was sent separately to the Directors.
- Separate meetings of Statutory Auditors, Internal Auditor with Audit Committee Chairman were held to enable free and frank discussions.
- A secure Structured Digital Database (SDD) portal has been implemented to ensure the protection of Unpublished Price Sensitive Information (UPSI).

### Notice of meetings and agenda

The Company sends the notice of the meetings accompanied by detailed agenda with notes setting out the business to be transacted at the Meeting(s) to each Director at least seven days before the date of the Board / Committee Meeting(s) except in case of shorter notice to transact urgent business. All the agenda items are supported by detailed notes, rationale for proposal, documents, and presentations, if any, to enable the Board to take informed decisions.

The Company has a well-established framework for the meetings of the Board and its Committees which seeks to systematise the decision-making process at the Board and Committee meetings in an informed and efficient manner. A summary of all the proposals forming part of the agenda is circulated to the Board for ease of reference.

### The key matters placed before the Board during FY 2025-26, inter-alia, included the following:

Strategic, Finance and Operational matters	Statutory and Governance matters
<ul style="list-style-type: none"> <li>• Reviewing and providing guidance on the Company's corporate strategy;</li> <li>• Evaluating and overseeing business partnerships;</li> <li>• Approving new products and policies;</li> <li>• Reviewing quarterly, half-yearly, and annual consolidated and standalone financial results and statements of the Company;</li> <li>• Monitoring overall business performance;</li> <li>• Approving annual operating plans and capital budgets;</li> <li>• Receiving regular updates on business and functional performance.</li> </ul>	<ul style="list-style-type: none"> <li>• Reviewing matters related to Corporate Social Responsibility (CSR);</li> <li>• Approving the appointment and remuneration of Directors, Key Managerial Personnel (KMP), and Senior Management Personnel (SMP);</li> <li>• Reviewing quarterly compliance certificates, with exceptions, if any, of regulatory or statutory compliances;</li> <li>• Approving the appointment of Secretarial Auditors of the Company;</li> <li>• Noting the minutes of meetings of the Board and its Committees, as well as resolutions passed by circulation;</li> <li>• Approving, amending, and periodically reviewing policies as required by statute and as recommended by the Board Committees;</li> <li>• Conducting performance evaluations of the Board, its Committees, and individual Directors;</li> <li>• Reviewing, on a quarterly basis, complaints, if any, under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act) and Whistleblower Complaints, if any.;</li> <li>• Reviewing quarterly reports under the fraud monitoring system;</li> <li>• Reviewing the Internal Audit Report on a quarterly basis.</li> </ul>

### Process for preparation of Agendas for Board and its Committees

The agenda of the Board and the Committee Meetings are prepared in consultation with the MD and CEO and relevant senior management team. The agenda proposals are also shared with the Chairpersons of respective Committees to seek their inputs before dispatch of Agenda. Members of the Board/Committees are encouraged to freely express their views on the agenda items and are assisted with necessary clarifications and information that they might need with respect to the agenda even prior to the meeting to enable meaningful participation at the meetings. Summary of Board/ Committee proposals is also shared prior to the meeting for easy reference.

### Post meetings follow up procedure

An Action Taken Report on the key decisions taken/ suggestions made at Board and Committee Meetings is recorded with details of owner and Target date and update thereof is placed and discussed at the subsequent meetings of the Board and the Committees for its review.

### Performance Evaluation of Board, its Committees and Directors

As per the provisions of the Companies Act, 2013 and Directors Appointment, Remuneration and Evaluation Policy, the Board has carried out an annual evaluation of its own performance, the directors individually as well as the evaluation of the working of its Committees.

The Company has formulated a process for performance evaluation of the Independent Directors, the Board, its Committees and other individual Directors which includes criteria for performance evaluation of the Non-Executive Directors.

An annual performance evaluation was conducted in accordance with the applicable provisions of the Act, the Listing Regulations, the Company's Code of Independent Directors, and the criteria and methodology approved by the Nomination and Remuneration Committee ("NRC"). The evaluation questionnaires are comprehensive and aligned with the guidance note on Board evaluation issued by the Securities and Exchange Board of India ("SEBI") vide its Circular No. SEBI/HO/CFD/CMD/CIR/P/2017/004 dated January 5, 2017, and are consistent with the evaluation framework approved by the NRC.

### Outcome and results of the performance evaluation for FY 2025-26

All the Directors of the Company as on March 31, 2026, had participated in the evaluation process. The Directors expressed their satisfaction with the Annual Performance Evaluation process of Board and Committees.

The results of Evaluation showed high level of commitment and engagement of Board, its various Committees and Senior leadership. Based on the outcome of the Evaluation for the year under review, the Board shall enhance its focus on providing strategic direction, digital initiatives, oversee regulatory matters and maintaining high standards of governance, to enhance value for all stakeholders.

### Code of Conduct

The Company has adopted a Code of Conduct for members of the Board and the Senior Management. These Codes, as updated during the year have been posted on the Company's website at the web-link: <https://www.veritasfin.in/code-of-conduct.php>

All the Board Members and Senior Management Personnel have affirmed compliance with these Codes. The code aims at ensuring consistent standards of conduct and ethical business practices across the organisation.

### Retirement by Rotation

Mr. Parin Nalin Mehta, DIN: 08528090, Nominee Director retires by rotation and being eligible, offers himself for re-appointment at the ensuing 11<sup>th</sup> Annual General Meeting of the Company.

### Risk Management Framework

Risk management forms an integral part of the Company's business. As a lending institution, the Company is exposed to various risks that are related to its lending business and operating environment. The Company has a well-defined risk management framework in place. The risk management framework works at various levels across the Company. The risk management framework is based on assessment of all risks through proper analysis and understanding of the underlying risks before undertaking any transactions and changing or implementing processes and systems. This risk management mechanism is supported by regular review, control, self-assessments and monitoring of key risk indicators.

The Company has in place a Board approved Risk Management Policy. The Company keeps the Board informed periodically of the significant risks associated with the business of the Company and the various risk identification and mitigation processes put in place by the management.

The Board of Directors monitor and manage the risks faced by the Company through its Committees – the Risk Management Committee, the Asset Liability Committee and the Audit Committee.

The Risk Management framework adopted by the Company is discussed in detail in the Management Discussion and Analysis Report, forming part of this Annual report.

### Remuneration to Directors:

The eligible Non-Executive Directors are paid remuneration in the form of sitting fees and commission within the limits prescribed under the Act. The remuneration payable to eligible Non-Executive Directors is recommended by the NRC to the Board of Directors. The NRC while deciding the basis for determining the remuneration to the eligible Non-Executive Directors, takes into consideration various relevant factors, including the overall compensation guidelines of Veritas pertaining to commission, current trends and practices in relevant industries, the market trends in terms of compensation levels, responsibilities undertaken by the Directors such as Chairpersonship/ membership of Committees and their contribution in enhancing stakeholder's value resulting in overall

growth of the Company and such other factors as the NRC may deem fit. The eligible Non-Executive Directors are paid sitting fees for attending meetings of the Board of Directors and Audit Committee Meeting at ₹ 60,000 per meeting per Director, and for Committees at ₹ 50,000 per meeting per Member.

Amid a dynamic regulatory and business environment, the Non-Executive Directors contributed significantly through their expertise, independent judgment, and valuable insights, supporting effective governance and decision-making.

### Remuneration of Non-Executive Directors

The annual commission is also payable for all the Independent Directors as per the policy and the recommendation of the Nomination and Remuneration Committee and the Board of Directors. For FY 2025-26, the sitting fees paid to Independent Directors is ₹ 60,000/- for every Board and Audit Committee Meeting and ₹50,000/- for every meeting of the other Committees constituted by the Board.

The details of the remuneration paid/payable to the eligible Non-Executive Directors during the financial year 2025-26 are as follows:

Name of the Independent Director	Sitting Fees (Amount in ₹)		Commission payable (Amount in ₹)	Total (Amount in ₹)
	Board	Committees		
Mr. Raj Vikash Verma	3,60,000.00	3,00,000.00	35,00,000.00	41,60,000.00
Mr. Mathew Joseph	3,60,000.00	8,00,000.00	25,00,000.00	36,60,000.00
Mr. Suresh Subramanian	3,60,000.00	6,50,000.00	25,00,000.00	35,10,000.00
Mr. Sankarson Banerjee	3,60,000.00	7,50,000.00	25,00,000.00	36,10,000.00
Ms. Susan Thomas	3,60,000.00	4,00,000.00	25,00,000.00	32,60,000.00
<b>Total</b>	<b>18,00,000.00</b>	<b>29,00,000.00</b>	<b>1,35,00,000.00</b>	<b>1,82,00,000.00</b>

**Remuneration of Executive Directors** includes salary, perquisites, allowances, benefits, amenities, retiral, viz. superannuation, gratuity, provident fund and stock options. The remuneration of Directors is recommended by the NRC to the Board, within the overall limits approved by the Shareholders of the Company. The NRC while deciding the basis for determining the remuneration of the Executive Directors takes into consideration the individual performance and the business performance. The business performance is evaluated using a Balanced Score Card (“BSC”) while individual performance is evaluated on Key Result Areas (“KRAs”). Both the BSC and KRAs are evaluated at the end of the financial year to arrive at the BSC rating of the business and performance rating of the individual.

### Software usage for ensuring statutory Compliances:

The Company has a software to ensure compliance with all applicable laws and statutory obligations. The said software provides timely alerts and advisory support to help meet compliance deadlines, reduce compliance risks, and facilitate the prompt dissemination and adherence to regulatory requirements and guidelines.

#### Committees of the Board

The Board has constituted various committees to support the Board in discharging its responsibilities. As of March 31, 2026, the Company has nine (9) Committees of the Board, constituted in accordance with the provisions of the Act viz.,

- 01 Audit Committee
- 02 Nomination and Remuneration Committee
- 03 Corporate Social Responsibility Committee

- 04 IT Strategy Committee
- 05 Stakeholders Relationship Committee
- 06 Risk Management Committee
- 07 Resources & Business Committee
- 08 IPO Committee
- 09 Business Impact Committee

The Board at the time of constitution of each committee fixes the terms of reference and also delegates powers from time to time. Various recommendations of the committees are submitted to the Board for approval.

The Board and its Committees meet at regular intervals to discuss and decide on the Company’s business policies and strategies apart from statutory and other routine matters.

### Committees of the Management

The Management of the Company has constituted various committees to support and assist the management in discharging its responsibilities.



### Terms of Reference of Committees of Board are as follows:

#### I. Audit Committee

##### Terms of Reference:

The role and responsibilities of the Committee shall include, but not be restricted to:

- (a) oversight of Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (b) recommendation for appointment, remuneration and terms of appointment of auditors of including the internal auditor, cost auditor and statutory auditor of the Company and the fixation of audit fee;
- (c) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (d) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - i. matters required to be included in the director's responsibility statement to be included in the

- Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - ii. changes, if any, in accounting policies and practices and reasons for the same;
  - iii. major accounting entries involving estimates based on the exercise of judgment by management;
  - iv. significant adjustments made in the financial statements arising out of audit findings;
  - v. compliance with listing and other legal requirements relating to financial statements;
  - vi. disclosure of any related party transactions; and
  - vii. modified opinion(s) in the draft audit report.
- (e) reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
  - (f) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter;
  - (g) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
  - (h) approval or any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company;
  - (i) scrutiny of inter-corporate loans and investments;
  - (j) valuation of undertakings or assets of the Company, wherever it is necessary;
  - (k) to review the functioning of the whistle blower mechanism;
  - (l) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  - (m) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  - (n) discussion with internal auditors of any significant findings and follow up thereon;

- (o) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- (p) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (q) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (r) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (s) identification of list of key performance indicators and related disclosures in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, for the purpose of the Company's proposed initial public offering;
- (t) carrying out any other function as is mentioned in the terms of reference of the audit Committee or as required as per the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, or any other applicable law, as and when amended from time to time;
- (u) reviewing the utilization of loans and/ or advances from/investment by the holding Company in the subsidiary exceeding ₹ 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
- (v) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;
- (w) monitoring the end use of funds raised through public offers and related matters;
- (x) reviewing compliance with the Securities and Exchange Board of India (Prohibition of Insider

Trading) Regulations, 2015 as amended and verifying that the systems for internal control are adequate and are operating effectively;

- (y) carrying out any other functions and roles as provided under the Companies Act, the SEBI Listing Regulations, SEBI ICDR Regulations, each as amended and other applicable laws or by any regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties; and
- (aa) to carry out such other functions as may be specifically referred to the Audit Committee by the Board and/or other Committees of directors of the Company.

**The Audit Committee shall mandatorily review the following information:**

- a) management discussion and analysis of financial condition and results of operations
- b) management letters / letters of internal control weaknesses issued by the statutory auditors
- c) internal audit reports relating to internal control weaknesses; and
- d) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit Committee.
- e) statement of deviations:
  - i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) and 52 of SEBI Listing Regulations, as amended.
  - ii. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) and 52 of SEBI Listing Regulations, as amended.
- f) Such information as may be prescribed under the Companies Act, and the rules thereunder, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, each as amended.
- g) To review the financial statements, in particular, the investments made by an unlisted subsidiary, if any.

### Composition & Meetings

The Audit Committee was reconstituted in the Board Meetings held on February 04, 2026, and March 20, 2026. The composition of the Committee as on March 31, 2026, is given below:

Name of the Members	Designation
Mr. Mathew Joseph (Chairman)	Independent Director
Mr. Sankarson Banerjee	Independent Director
Mr. Suresh Subramanian*	Independent Director
Mr. Parin Mehta	Nominee Director

\*Resigned from the Board effective close of business hours of March 31, 2026.

**The details of the meetings of the Committee held during the year ended March 31, 2026, is given below:**

During the year ended March 31, 2026, five (5) meetings of the Committee were held on April 29,2025, July 22 ,2025, August 13, 2025, October 29,2025 and February 04,2026.

Sl. No.	Name of the member	Member of Committee (from & till date)	Capacity (i.e., Executive/ Non-Executive/ Chairman/ nominee/ Independent)	Number of Meetings of the Committee (till change in membership, wherever applicable)		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Mathew Joseph	From April 25, 2024, till date	Independent Director	5	5	NIL
2.	Mr. Sankarson Banerjee	From April 25, 2024, till date	Independent Director	5	5	NIL
3.	Mr. Parin Mehta	From August 13, 2024, till date	Nominee Director	5	3	NIL
4.	Mr. Suresh Subramanian*	From January 30, 2024 to March 31, 2026	Independent Director	5	5	NIL

\*Mr. Suresh Subramanian (DIN: 02070440), Independent Director, resigned from the Board effective close of business hours of March 31, 2026, due to personal reasons.

**II. Nomination and Remuneration Committee:****Terms of Reference:**

The role and responsibilities of the Committee shall include, but not be restricted to:

- (a) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of directors of the Company ("Board") a policy relating to the remuneration of the directors, key managerial personnel and other employees ("Remuneration Policy"). The Nomination and Remuneration Committee, while formulating the Remuneration policy, should ensure that:
  - (i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully
  - (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - (iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.
- (b) for every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such a description. For the purpose of identifying suitable candidates, the Committee may
  - i. Use the services of an external agencies, if required
  - ii. Consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - iii. Consider the time commitments of the candidates
- (c) formulation of criteria for evaluation of performance of independent directors and the Board;
- (d) To review the results of the Board performance evaluation process that relate to the composition of the Board;
- (e) devising a policy on Board diversity;
- (f) identifying persons who are qualified to become directors of the Company and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- (g) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- (h) Ensuring 'fit and proper' status of the proposed and existing directors and scrutinising the declarations received by the directors in this regard.
- (i) recommend to the Board, all remuneration, in whatever form, payable to senior management; and
- (j) To work closely with risk management Committee to achieve effective alignment between compensation and risks
- (k) carrying out any other activities as may be delegated by the Board and functions required to be carried out by the Nomination and Remuneration Committee as provided under the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

The Nomination and Remuneration Committee shall perform such functions as required to be performed by the compensation Committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended, including the following:

- (a) administering the employee stock option plans of the Company, as may be required;
- (b) determining the eligibility of employees to participate under the employee stock option plans of the Company;

- (c) granting options to eligible employees and determining the date of grant;
- (d) determining the number of options to be granted to an employee;
- (e) determining the exercise price under the employee stock option plans of the Company; and
- (f) construing and interpreting the employee stock option plans of the Company and any agreements defining the rights and obligations of the Company and eligible employees under the employee stock option plans of the Company, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the employee stock option plans of the Company.

#### Composition & Meetings

The Nomination and Remuneration Committee was reconstituted in the Board Meetings held on February 04, 2026, and March 20, 2026, and the composition of the Committee as on March 31, 2026, is given below:

Name of the Members	Designation
Ms. Susan Thomas (Chairperson)	Independent Director
Mr. Mathew Joseph	Independent Director
Mr. Sudhir Narayanankutty Variyar	Nominee Director
Mr. Suresh Subramanian*	Independent Director

\*Resigned from the Board effective close of business hours of March 31, 2026.

The details of the meetings of the Committee held during the year ended March 31, 2026, is given below

During the year ended March 31, 2026, one (1) meeting of the Committee was held on April 29, 2025, as below:

Sl. No.	Name of the member	Member of Committee (from & till date)	Capacity (i.e., Executive/ Non-Executive/ Chairman/ nominee/ Independent)	Number of Meetings of the Committee (till change in membership, wherever applicable)		No. of shares held in the NBFC
				Held	Attended	
1.	Ms. Susan Thomas	From August 13, 2024, till date	Independent Director	1	1	NIL
2.	Mr. Mathew Joseph	From January 30, 2024, till date	Independent Director	1	1	NIL
3.	Mr. Sudhir Narayanankutty Variyar	From January 30, 2024, till date	Nominee Director	1	1	NIL
4.	Mr. Suresh Subramanian	From April 25, 2024, till March 31, 2026	Independent Director	1	1	NIL

\*Mr. Suresh Subramanian (DIN: 02070440), Independent Director, resigned from the Board effective close of business hours of March 31, 2026, due to personal reasons

#### III. Corporate Social Responsibility Committee:

##### Terms of Reference:

- (a) To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Schedule VII of Companies Act, 2013 as may be amended or modified from time to time;
- (b) To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company;
- (c) To monitor the CSR policy of the Company from time to time;
- (d) To formulate and recommend to the Board, an annual action plan;
- (e) To review the CSR project/initiatives from time to time;
- (f) Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

#### Composition & Meetings:

The composition of the Committee as on March 31, 2026

Name of the Members	Designation
Ms. Susan Thomas (Chairperson)	Independent Director
Mr. D. Arulmany	Managing Director & CEO
Mr. Sudhir Narayanankutty Variyar	Nominee Director

The details of the meetings of the Committee held during the year ended March 31, 2026, is given below:

During the year ended March 31, 2026, two (2) meetings of the Committee were held on October 17, 2025 and March 13, 2026, as below:

Sl. No.	Name of the member	Member of Committee (from & till date)	Capacity (i.e., Executive/ Non-Executive/ Chairman/ nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Ms. Susan Thomas	From August 13, 2024 till date	Independent Director	2	2	NIL
2.	Mr. D. Arulmany	From June 20, 2018, till date	MD & CEO (Executive)	2	2	1,24,49,491
3.	Sudhir Narayanankutty Variyar	From April 25, 2024 till date	Nominee Director	2	2	NIL

#### IV. IT Strategy Committee:

##### Terms of Reference:

- |  |   |
|--|---|
| <p>(a) Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place;</p> <p>(b) Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business;</p> <p>(c) Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable;</p> | <p>(d) Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources;</p> <p>(e) Ensuring proper balance of IT investments for sustaining NBFC's growth and becoming aware about exposure towards IT risks and controls.</p> <p>(f) Any other matter as the IT Committee may deem appropriate or as may be directed by the Board of Directors from time to time.</p> |
|--|---|

##### Composition & Meetings:

The composition of the Committee as on March 31, 2026:

Name of the Members	Designation
Mr. Sankarson Banerjee (Chairman)	Independent Director
Mr. Parin Mehta	Nominee Director
Mr. D. Arulmany	Managing Director & CEO
Mr. J. Prakash Rayen	Executive Director - Operations (Employee)
Mr. S. Parthiban	EVP & Chief Technology Officer (Employee)

The details of the meetings of the Committee held during the year ended March 31, 2026, is given below:

During the year ended March 31, 2026, four (4) meetings of the Committee were held on June 21, 2025, September 26, 2025, December 22, 2025, and March 18, 2026, as below:

Sl. No.	Name of the member	Member of Committee (from & till date)	Capacity (i.e., Executive/ Non-Executive/ Chairman/ nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Sankarson Banerjee	From April 25, 2024 till date	Independent Director	4	4	NIL
2.	Mr. Parin Mehta	From March 24, 2022, till date	Nominee Director	4	3	NIL
3.	Mr. J. Prakash Rayen	From July 18, 2018, till date	Executive Director - Operations (Employee)	4	4	18,75,000
4.	Mr. S. Parthiban	From July 18, 2018, till date	EVP & Chief Technology Officer (Employee)	4	4	73,122
5.	Mr. D. Arulmany	From October 08, 2020, till date	MD & CEO (Executive)	4	3	1,24,49,491

## V. Stakeholders Relationship Committee:

### Terms of Reference:

- resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- review of measures taken for effective exercise of voting rights by shareholders;
- review of adherence to the service standards adopted by the Company in respect of various services being rendered by the registrar and share transfer agent;
- review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed

dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company; and

- The Committee shall act as the Customer Service Committee / Consumer Protection Committee for the purposes of extant RBI guidelines and shall determine the structure of emoluments, facilities and benefits accorded to the Internal Ombudsman / Deputy Internal Ombudsman
- carrying out any other functions required to be carried out by the Stakeholders Relationship Committee as contained in the Companies Act, SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

### Composition & Meetings:

The composition of the Committee as on March 31, 2026:

Name of the Members	Designation
Mr. Raj Vikash Verma (Chairman)	Independent Director
Ms. Susan Thomas	Independent Director
Mr. D. Arulmany	Managing Director & CEO
Mr. Paul Vaseekaran (IO)	Internal Ombudsman
Ms. Priyamvada Ramkumar	Nominee Director

The details of the meetings of the Committee held during the year ended March 31, 2026, is given below:

During the year ended March 31, 2026, four (4) meetings of the Committee were held on April 29, 2025, August 12, 2025, October 28, 2025, and February 03, 2026, as below:

Sl. No.	Name of the member	Member of Committee (from & till date)	Capacity (i.e., Executive/ Non-Executive/ Chairman/ nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Raj Vikash Verma	From August 13, 2024,	Independent Director	4	4	NIL
2.	Mr. D. Arulmany	till date	MD & CEO (Executive)	4	4	1,24,49,491
3.	Mr. Paul Vaseekaran(IO)	From November 09, 2018, till date	Internal Ombudsman	4	4	NIL
4.	Ms. Susan Thomas	From March 27,2024, till date	Independent Director	4	4	NIL
5.	Ms. Priyamvada Ramkumar	From August 13, 2024,	Nominee Director	4	2	NIL

## VI. Risk Management Committee:

### Terms of Reference:

- Put in place the risk assessment process to identify significant business, operational, financial, compliance, interest, IT, market, legal, liquidity, outsourcing and other risks associated with the business of the Company;
- Identification, monitoring and measurement of the risk profile of the Company;
- Framing, implementing, reviewing and monitoring the risk management plan including cyber security for the Company and evaluating the adequacy of risk management system.

- Formulate a detailed risk management policy which shall include:

- A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, interest rate, legal, liquidity, outsourcing, cyber security risks or any other risk as may be determined by the Committee.
- Measures for risk mitigation including systems and processes for internal control of identified risks.

- (3) Business continuity plan
- (4) Internal Capital Adequacy Assessment Process
- (e) Periodically reviewing the risk management policy, including the evolving industry dynamics and market conditions
- (f) Approving a framework to evaluate the risks and materiality of all existing and prospective outsourcing and the policies that apply to such arrangements
- (g) Review of risk assessment results and ensure that these are appropriately and adequately mitigated and monitored;
- (h) Monitor the progress in implementation of risk mitigation strategies including the status of risk assessment program;
- (i) Periodic review of data for Credit and Portfolio Risk Management.
- (j) Periodic review of data for Operational and Process Risk Management.
- (k) Laying down guidelines on KYC norms.
- (l) The Committee to review the minutes of the Asset Liability Management Committee.
- (m) To prescribe and monitor the limits of credit exposures including unsecured consumer credit exposures and monitoring the same on an ongoing basis.
- (n) To review and recommend the appointment / reappointment/removal of the Chief Risk Officer and their performance appraisal in consultation with the Nomination and Remuneration Committee
- (o) Recommending such items and matters to the Board for their consideration and approval/ratification as may be required from time to time.
- (p) Performing such other activities as may be delegated by the Board and/or prescribed under the Companies Act, 2013, the SEBI Listing Regulations, RBI Master Directions, and any other applicable rules, regulations, guidelines, clarifications, circulars and notifications issued by the Government of India including Securities and Exchange Board of India, Reserve Bank of India, and any other regulatory authority from time to time.

#### Composition & Meetings:

The composition of the Committee as on March 31, 2026, is given below:

Name of the Members	Designation
Mr. Mathew Joseph (Chairman)	Independent Director
Mr. Sankarson Banerjee	Independent Director
Mr. D Arulmany	Managing Director & Chief Executive Officer
Mr. Sudhir Narayanankutty Variyar	Nominee Director
Ms. Priyamvada Ramkumar	Nominee Director

#### The details of the meetings of the Committee held during the year ended March 31, 2026:

During the year ended March 31, 2026, four (4) meetings of the Committee were held on May 20, 2025, August 25, 2025, November 26, 2025, and February 25, 2026, as below:

Sl. No.	Name of the member	Member of Committee (from & till date)	Capacity (i.e., Executive/ Non-Executive/ Chairman/ nominee/ Independent)	Number of Meetings of the Committee (till change in membership, wherever applicable)		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Mathew Joseph	From January 30, 2024, till date	Independent Director	4	4	NIL
2.	Mr. Sankarson Banerjee	From August 13, 2024, till date	Independent Director	4	4	NIL
3.	Ms. Priyamvada Ramkumar	From June 15, 2020 till date	Nominee Director	4	2	NIL
4.	Mr. Sudhir Narayanankutty Variyar	From January 30, 2024, till date	Nominee Director	4	3	NIL
5.	Mr. D. Arulmany	From November 09, 2018, till date	MD & CEO (Executive)	4	4	1,24,49,491

## VII. Resources & Business Committee:

### Terms of Reference:

#### Resource Related:

- To consider and allot Non - Convertible Debentures (“NCDs”) from time to time, to one or more subscribers, in one or more tranches on such terms and conditions as deemed fit, subject however that the total amount of NCDs so issued during a financial year shall not exceed the limits approved by the Board from time to time.
- To consider and approve Securitization and Direct Assignment arrangements on such terms and conditions as it thinks fit and to authorize carrying out of all actions connected therewith including appointment of legal counsel, Credit Rating agency for rating the pool of receivables and appointment of trustee for the securitisation trust, subject however that the total amount of Securitization and Direct Assignment arrangements so undertaken during a financial year shall not exceed the limits approved by the Board from time to time.
- To consider, negotiate, enter, approve, and grant authorization for undertaking and/or executing derivative transactions/contracts/agreements including but not limited to spots and forwards as well as FX and interest rate derivative transactions like FX

options, Interest Rate and Currency Swaps, Interest rate Options, all types of Structured Derivatives and Cost Reduction Structures, including third currency hedges, i.e., hedging in currency different from that of the underlying exposure, or any combinations of these derivative products or any other derivative products as permitted by Reserve Bank of India from time to time, for the purpose of mitigation of risks on foreign currency and interest rate exposure of the Company and to give instructions to any bank/banker regarding purchase/sale/cancellation and other dealings relating to such derivative transactions on behalf of the Company.

#### Business Related:

- To review the existing loan products and recommend new loan products to the Board for approval.
- To review the credit policies of the loan products of the Company including setting and monitoring the limits for each loan product.
- Any loan to be given by the Company including loans against property, SME loans and other loans exceeding ₹ 1 crore to be approved by Resources & Business Committee.
- Any authorization to employees of the Company.
- Other authorizations as may be vested by the Board from time to time.

### Composition & Meetings:

The Resources & Business Committee was reconstituted in the Board Meeting held on March 20, 2026 and the composition of the Committee as on March 31, 2026, is given below:

Name of the Members	Designation
Mr. D. Arulmany	Managing Director & Chief Executive Officer
Mr. Mathew Joseph	Independent Director
Ms. Priyamvada Ramkumar	Nominee Director
Mr. Suresh Subramanian* (Chairman)	Independent Director

\*Resigned from the Board effective close of business hours of March 31, 2026. Post his resignation, Mr. Sudhir Variyar, Nominee Director, was appointed as the Chairman of the Committee effective April 01, 2026.

### The details of the meetings of the Committee held during the year ended March 31, 2026:

During the year ended March 31, 2026, four (4) meetings of the Committee were held on May 16, 2025, November 26, 2025, January 30, 2026, and March 20, 2026 as below:

Sl. No.	Name of the member	Member of Committee (from & till date)	Capacity (i.e., Executive/ Non-Executive/ Chairman/ nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Suresh Subramanian*	From January 30, 2024, till March 31, 2026	Independent Director	4	4	NIL
2.	Mr. D. Arulmany	From November 09, 2018, till date	MD & CEO (Executive)	4	3	1,24,49,491
3.	Mr. Mathew Joseph	From April 25, 2024, till date	Independent Director	4	4	NIL
4.	Ms. Priyamvada Ramkumar	From August 13, 2024, till date	Nominee Director	4	2	NIL

\*Mr. Suresh Subramanian (DIN: 02070440), Independent Director, resigned from the Board effective close of business hours of March 31, 2026, due to personal reasons.

### VIII. IPO Committee

#### Terms of Reference:

- (a) To take on record the number of Equity Shares proposed to be offered by the Selling Shareholder(s);
- (b) To make applications to, seek clarifications, obtain approvals and seek exemptions from, where necessary, the SEBI, the Stock Exchanges, the Registrar of Companies, Tamil Nadu at Chennai ("ROC"), the relevant registrar of companies, the Reserve Bank of India, and any other governmental or statutory authorities as may be required in connection with the Offer and accept on behalf of the Board such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions as may be required and wherever necessary, incorporate such modifications / amendments as may be required in the draft red herring prospectus, the red herring prospectus and the prospectus as applicable;
- (c) To finalize, settle, approve, adopt and file, or resubmit, in consultation with the book running lead managers appointed for the Offer (the "BRLMs") where applicable, the draft red herring prospectus, the red herring prospectus and the prospectus in connection with the Offer, the preliminary and final international wrap, abridged prospectus, and any amendments, supplements, notices, addenda or corrigenda thereto together with any summaries thereof as may be considered desirable or expedient ("Offer Documents"), and take all such actions as may be necessary for the submission and filing, including any resubmission (if applicable) of these documents including incorporating such alterations/corrections/modifications as may be required by SEBI, the ROC or any other relevant governmental and statutory authorities or in accordance with applicable laws;
- (d) To decide, negotiate and finalise in consultation with the BRLMs on the actual Offer size, timing, pricing, discount, reservation and all the terms and conditions of the Offer, including any reservation, green shoe option and any rounding off in the event of any oversubscription, the price band (including offer price for anchor investors), any revision to the price band, bid period, minimum bid lot for the purpose of bidding, final Offer price after bid closure, to finalize the basis of allocation and to allot the Equity Shares to the successful allottees and credit Equity Shares to the demat accounts of the successful allottees in accordance with applicable law, determine the anchor investor portion, and to do all such acts and things as may be necessary and expedient for, and incidental and ancillary to the Offer including to make any amendments, modifications, variations or alterations in relation to the Offer;
- (e) To appoint, instruct and enter into and terminate arrangements with the BRLMs, and in consultation with BRLM(s), appoint and enter into agreements with intermediaries including underwriters to the Offer, syndicate members to the Offer, brokers to the Offer, escrow collection bankers to the Offer, refund bankers to the Offer, registrars, sponsor bank(s), legal advisors, auditors, advertising agency, independent chartered accountants, industry expert, depositories, custodians, printers and any other agencies or persons or intermediaries in relation to the Offer, including any successors or replacements thereof, and to negotiate, finalise and amend the terms of their appointment, including but not limited to the execution of the mandate letter with the BRLMs and negotiation, finalization, execution and remuneration of all such intermediaries/agencies including the payments of commissions, brokerages, etc.;
- (f) To negotiate, finalise and settle and to execute and deliver or arrange the delivery of the draft red herring prospectus, the red herring prospectus, the prospectus, the preliminary and final international wrap, offer agreement, syndicate agreement, underwriting agreement, share escrow agreement, cash escrow agreement, agreements with the registrar to the Offer, agreement with the advertising agency in relation to the Offer, bid-cum-application forms, confirmation of allotment notes and all other documents, deeds, agreements and instruments whatsoever with the registrar to the Offer, legal advisors, auditors, advertising agency, stock exchange(s), BRLMs, and any other agencies/intermediaries in connection with the Offer, and any notices, supplements and corrigenda thereto, with the power to authorise one or more officers of the Company to execute all or any of the aforesaid documents or any amendments thereto as may be required or desirable in relation to the Offer;
- (g) To decide, negotiate and finalize, in consultation with the BRLMs, all matters regarding the Pre-IPO Placement, if any, including entering into discussions and execution of all relevant documents with investors
- (h) To authorise the maintenance of a register of holders of the Equity Shares;
- (i) To seek, if required, the consent and/or waiver of the lenders of the Company, customers, suppliers, strategic partners, parties with whom the Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in India or outside India, and any other consents and/or waivers that may be required in relation to the Offer or any actions connected therewith;
- (j) To open and operate bank accounts in terms of the cash escrow and sponsor bank agreement with a scheduled bank to receive applications along with application monies, for handling of refunds, and for the purposes set out in Section 40(3) of the Companies Act, 2013, as amended, in respect of the Offer, and to authorise one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;

- (k) To determine the amount, the number of Equity Shares, terms of the issue of the equity shares, the categories of investors for the Pre-IPO Placement, if any including the execution of the relevant documents with the investors, in consultation with the BRLMs, and rounding off, if any, in the event of oversubscription and in accordance with applicable laws;
- (l) To determine and finalise the bid opening and bid closing dates (including bid opening and bid closing dates for anchor investors), the floor price/price band for the Offer (including issue price for anchor investors), reservation or discount (if any), approve the basis of allotment and confirm allocation/allotment of the equity shares to various categories of persons as disclosed in the draft red herring prospectus, the red herring prospectus and the prospectus, in consultation with the BRLM(s) and do all such acts and things as may be necessary and expedient for, and incidental and ancillary to the Offer including any alteration, addition or making any variation in relation to the Offer;
- (m) all actions as may be necessary in connection with the Offer, including extending the Bid/Offer period, revision of the price band, allow revision of the Offer portion [in case any Selling Shareholder decides to revise it], in accordance with the applicable laws;
- (n) To authorise and approve in consultation with the BRLM(s), incurring of expenditure and payment of fees, commissions, brokerage, remuneration and reimbursement of expenses in connection with the Offer;
- (o) To determine the utilization of proceeds and accept and appropriate the proceeds of the Offer in accordance with the Applicable Laws;
- (p) To approve code of conduct as may be considered necessary by the IPO Committee or as required under the Applicable Laws, regulations or guidelines for the Board, officers of the Company and other employees of the Company;
- (q) To approve the implementation of any corporate governance requirements, code of conduct for the Board, officers and other employees of the Company that may be considered necessary by the Board or the IPO Committee or as may be required under the Applicable Laws or the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and listing agreements to be entered into by the Company with the relevant stock exchanges, to the extent allowed under Applicable Laws;
- (r) To finalise and issue receipts/allotment letters/confirmation of allotment notes either in physical or electronic mode representing the underlying Equity Shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchanges, with power to authorise one or more officers of the Company to sign all or any of the aforesaid documents;
- (s) To undertake as appropriate such communication with the Selling Shareholders as required under applicable law, including inviting the existing shareholders of the Company to participate in the Offer by making an offer for sale in relation to such number of Equity Shares held by them as may be deemed appropriate, and which are eligible for the offer for sale in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations"), take all actions as may be necessary and authorised in connection with the Offer for Sale and to approve and take on record the approval of the Selling Shareholder(s) for offering their Equity Shares in the Offer for Sale and the transfer of Equity Shares in the Offer for Sale;
- (t) To authorise and approve notices, advertisements in relation to the Offer in consultation with the relevant intermediaries appointed for the Offer in accordance with the SEBI ICDR Regulations, Companies Act, as amended and other Applicable Laws;
- (u) To issue advertisements in such newspapers and other media as it may deem fit and proper in accordance with the SEBI ICDR Regulations, Companies Act, 2013, as amended and other Applicable Laws;
- (v) To decide the total number of Equity Shares to be reserved for allocation or transferred to eligible categories of investors the number of Equity Shares to be allotted or transferred in each tranche, issue price, premium amount, discount (as allowed under Applicable Laws), if any;
- (w) To do all such acts, deeds, matters and things and execute all such other documents, etc., as may be deemed necessary or desirable for such purpose, in consultation with BRLMs, including without limitation, to determine the anchor investor portion and allocation to anchor investors, to finalise the basis of allocation and to allot the shares to the successful allottees as permissible in law, issue of allotment letters/confirmation of allotment notes, credit of Equity Shares to the demat accounts of the successful allottees, share certificates in accordance with the relevant rules, in consultation with the BRLMs in accordance with Applicable Laws;
- (x) To do all such acts, deeds and things as may be required to dematerialise the Equity Shares and to sign and/ or modify, as the case maybe, agreements and/or such other documents as may be required with the National Securities Depository Limited, the Central Depository Services (India) Limited, registrar and transfer agents and such other agencies, authorities or bodies as may be required in this connection and to authorise one or more officers of the Company to execute all or any of the aforesaid documents;

- (y) To make in-principle and final applications for listing and trading of the Equity Shares in one or more stock exchange(s) for listing of the Equity Shares and to execute and to deliver or arrange the delivery of necessary documentation to the concerned stock exchange(s) in connection with obtaining such listing including without limitation, entering into listing agreements and affixing the common seal of the Company where necessary and to take all such other actions as may be necessary in connection with obtaining such listing;
- (z) To settle all questions, difficulties or doubts that may arise in relation to the Offer, including issue, allotment, terms of the Offer, utilisation of the Offer proceeds and matters incidental thereto as it may deem fit;
- (aa) To submit undertaking/certificates or provide clarifications to the SEBI, Registrar of Companies, Tamil Nadu at Chennai and the relevant stock exchange(s) where the Equity Shares are to be listed;
- (bb) To negotiate, finalize, settle, execute and deliver any and all other documents or instruments and to do or cause to be done any and all acts or things as the IPO Committee may deem necessary, appropriate or advisable in order to carry out the purposes and intent of this resolution or in connection with the Offer and any documents or instruments so executed and delivered or acts and things done or caused to be done by the IPO Committee shall be conclusive evidence of the authority of the IPO Committee in so doing;
- (cc) To execute and deliver and/or to authorise and empower officers of the Company (each, an "Authorised Officer") for and on behalf of the Company to execute and deliver, on a several basis, any and all other documents or instruments and any declarations, affidavits, certificates, consents, agreements as well as amendments or supplements thereto as may be required from time to time or that the Authorised Officers consider necessary,
- appropriate or advisable, in connection with the Offer, including, without limitation, engagement letter(s), memoranda of understanding, the listing agreements, the registrar agreement, the depositories agreements, the offer agreement, the underwriting agreement, the syndicate agreement, the cash escrow and sponsor bank agreement and confirmation of allocation notes, with the BRLMs, syndicate members, bankers to the Offer, registrar to the Offer, bankers to the Company, managers, underwriters, guarantors, escrow agents, accountants, auditors, legal counsel, depositories, trustees, custodians, advertising agencies, and all such persons or agencies as may be involved in or concerned with the Offer, if any and any and all other documents or instruments and doing or causing to be done any and all acts or things as the IPO Committee and/or Authorised Officer may deem necessary, appropriate or advisable in order to carry out the purposes and intent of the foregoing or in connection with the Offer and any documents or instruments so executed and delivered or acts and things done or caused to be done by the IPO Committee and/or Authorised Officer shall be conclusive evidence of the authority of the IPO Committee and/or Authorised Officer and Company in so doing;
- (dd) To decide, negotiate and finalise the pricing and all other related matters regarding the execution of the relevant documents with the investors in consultation with the BRLMs and in accordance with Applicable Laws;
- (ee) To if necessary, withdraw the draft red herring prospectus or the red herring prospectus or to decide to not proceed with the Offer at any stage in accordance with Applicable Laws and in consultation with the BRLMs; and
- (ff) To delegate any of its powers set out hereinabove, as may be deemed necessary and permissible under Applicable Laws to the officials of the Company.

#### Composition & Meetings:

The IPO Committee was reconstituted in the Board Meeting held on March 20,2026 and the composition of the Committee as on March 31, 2026, is as follows:

Name of the Members	Designation
Mr. Raj Vikash Verma (Chairman)	Independent Director
Mr. D. Arulmany	Managing Director & Chief Executive Officer
Mr. Sudhir Narayanankutty Variyar	Nominee Director
Mr. Suresh Subramanian*	Independent Director

\*Resigned from the Board effective close of business hours of March 31, 2026.

**The details of the meetings of the Committee held during the year ended March 31, 2026:**

During the year ended March 31, 2026, one (1) meeting of the Committee was held on July 22, 2025, as below:

Sl. No.	Name of the member	Member of Committee (from & till date)	Capacity (i.e., Executive/ Non-Executive/ Chairman/ nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Raj Vikash Verma	From August 13, 2024, till date	Independent Director	1	1	NIL
2.	Mr. Suresh Subramanian*	From July 16, 2024, till March 31, 2026	Independent Director	1	1	NIL
3.	Mr. Sudhir Narayanankutty Variyar	From January 30, 2024, till date	Nominee Director	1	1	NIL
4.	Mr. D. Arulmany	From July 16, 2024, till date	MD & CEO (Executive)	1	1	1,24,49,491

\*Mr. Suresh Subramanian (DIN: 02070440), Independent Director, resigned from the Board effective close of business hours of March 31, 2026, due to personal reasons.

**IX. Business Impact Committee:**

**Terms of Reference:**

- (a) Oversight of the development and implementation of the developmental impact action plan of the Company hereinafter referred to as "DI Action Plan".
- (b) Oversight of the development and implementation of the Environmental, social and governance action plan defining actions, responsibilities, budgets, deliverables, compliance indicators, and a timeframe for the measures required to remedy the known non-compliances with the Environmental, Social and Governance (ESG) Requirements in the business activities of the Company hereinafter to as "E&S Action Plan".
- (c) Oversight of the establishment of the overall management system of the Company dedicated to the systematic and structured improvement of environmental, social and governance performance, targeted to identify and manage ESG risks and opportunities in both the Company's activities and in the loan and investment appraisal and management processes, integrated in the Company's organizational structure, planning activities, responsibilities, practices, procedures, processes and resources, which is referred to as ESG Management System which shall include compliance with the ESG requirements namely:
  - (1) examining ESG policies and procedures and their implementation and making recommendations for their improvement to the Board;
  - (2) providing half-yearly reports to the Board on any material issue that has arisen as a result of the operation of the ESG Management System since the last meeting and an explanation as to how it is being dealt with;

- (3) considering half-yearly reports from the management on implementation of the E&S Action Plan;
- (4) reviewing and recommending a report on annual basis to the Board on matters in relation to ESG;
- (5) considering ESG assessment reports, action points arising out of any social and environmental impact assessments and project specific action plans;
- (6) vetting new projects where there is deemed to be a material risk of violation of the ESG Requirements;
- (7) recommending appointment of consultants to Board to investigate alleged breaches of ESG Requirements, ESG policies and procedures;
- (8) ensuring that the Company has put in place adequate systems and resources (including employees of sufficient expertise and seniority) to understand and determine the applicability of the ESG Requirements to the Company and monitor the underlying ESG Laws, IFC Performance Standards as updated by IFC on their webpage <http://www.ifc.org/PerformanceStandards> and the convention of the International Labour Organization (ILO), the tripartite United Nations agency, whose conventions are available on their website <http://www.ilo.org/global/standards/lang-en/index.html>
- (9) monitoring compliance of Clients with the ESG Standards
- (10) Committee shall meet at least twice a year, to provide strategic guidance to deliver maximum impact and recommend development impact related initiatives to the Board.

**Composition & Meetings:**

The composition of the Committee as on March 31, 2026:

Sl. No.	Name of the member	Member of Committee (from & till date)	Capacity (i.e., Executive/ Non-Executive/ Chairman/ nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. D. Arulmany	From July 16, 2024, till date	MD & CEO (Executive)	0	0	1,24,49,491
2.	Mr. Kumareshan Sivam	From January 30, 2024, till date	Employee	0	0	NIL

During the year ended March 31, 2026, no meetings were held by the Company.

**Terms of Reference of Committees of Management are as follows:**

**I. Assets Liability Committee:**

**Terms of Reference:**

- Understanding business requirement and devising appropriate pricing strategies
- Management of profitability by maintain relevant Net interest margins (NIM)
- Ensuring Liquidity through maturity matching wherever feasible
- Maintain sufficient surplus to manage liquidity arising out of ALM mis-matches.
- Management of balance sheet in accordance with internal policies and applicable regulatory requirements.
- Ensure the efficient implementation of balance sheet management policies
- Review reports on liquidity, market risk and capital management.
- To identify balance sheet management issues that are leading to under-performance and ensure corrective action.

- Ensuring appropriate mix of different forms of debt i.e. Bank Loans, Commercial Paper, Non-Convertible Debentures, Securitization etc.
- Approving major decisions affecting Veritas Finance's risk profile or exposure (product pricing for advances, desired maturity profile and mix of the incremental assets and liabilities, prevailing interest rates offered by peer NBFCs for the similar services/product, etc).
- Satisfy itself that the less fundamental risks are being actively managed, with the appropriate controls in place and working effectively.
- Articulate the current interest rate review and formulate future business strategy on this view.
- Reviewing regulatory requirements having a bearing on Treasury activities (including any new regulatory requirements) and ALM returns submitted with RBI from time to time.
- Derivative products to be used for hedging of foreign currency and interest rate risk if any.

**Composition & Meetings:**

The Asset Liability Committee was reconstituted in the Board Meeting held on October 29, 2025.

The composition of the Committee as on March 31, 2026, is given below:

Name of the Members	Designation
Mr. D. Arulmany (Chairman)	Managing Director & CEO
Mr. J Prakash Rayen	Executive Director- Operations
Mr. Naveen Raj R	Chief Financial Officer
Mr. M Mahesh	Executive Vice President - Treasury
Mr. Christopher Robin	Chief Audit Officer
Mr. R Vijay	Chief Credit Officer
Ms. S V Laxmi	Chief Risk Officer

The details of the meetings of the Committee held during the year ended March 31, 2026, is given below:

During the year ended March 31, 2026, Five (5) meetings of the Committee were held on April 22, 2025, June 21, 2025, September 20, 2025, December 23, 2025, and March 17, 2026.

Sl. No.	Name of the member	Member of Committee (from & till date)	Capacity (i.e., Executive/ Non-Executive/ Chairman/ nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. D. Arulmany (Chairman)	From January 31, 2018, till date	MD & CEO (Executive)	5	5	1,24,49,491
2.	Mr. J. Prakash Rayen	From January 31, 2018, till date	Executive Director- Operations	5	5	18,75,000
3.	Mr. M. Mahesh	From July 18, 2018, till date	Executive Vice President - Treasury	5	5	20,576
4.	Mr. R. Vijay	From June 15, 2020, till date	Chief Credit Officer	5	5	11,014
5.	Mr. Christopher Robin	From April 25, 2024, till date	Chief Audit Officer	5	4	NIL
6.	Mr. Naveen Raj R	From March 21, 2025 till date	Chief Financial Officer	5	5	NIL
7.	Ms. S V Laxmi*	From October 29, 2025 till date	Chief Risk Officer	2	2	NIL

\*Ms. S V Laxmi was appointed as the Chief Risk Officer effective October 01, 2025.

## II. IT Steering Committee:

Pursuant to para 1.1 of the Master Direction - Information Technology Framework for the NBFC Sector and directions given in the Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices issued by RBI dated November 7, 2023, IT Steering Committee comprising of the members from management, has been constituted by the IT Strategy Committee vide its circular resolution dated September 25, 2023, to assist in implementing IT strategy that has been approved by the Board.

### Terms of Reference:

It includes prioritization of IT-enabled investment, reviewing the status of projects (including, resource conflict), monitoring service levels and improvements, IT service delivery and projects.

### IT Project Planning & Monitoring:

- Defining project priorities and assessing strategic fit for IT proposals
- Defining project success measures and following up progress on IT projects

### IT Architecture & IT Security:

- Consult and advice on the selection of technology within standards.
- Provide direction relating to technology standards and practices.

- Ensure that vulnerability assessments of new technology are performed
- Consult and advice on the application of architecture guidelines.
- Provide direction to IT architecture design and ensure that the IT architecture reflects the need for legislative and regulatory compliance, the ethical use of information and business continuity.

### IT Governance:

- Performing portfolio reviews for continuing strategic relevance
- Reviewing, approving and budget initiatives, after assessing value-addition to business process.
- Ensuring that all critical projects have a component for "project risk management.
- Sponsoring or assisting in governance, risk, and control framework, and directing and monitoring key IT Governance processes.
- Verify compliance with technology standards and guidelines.
- Ensure compliance to regulatory and statutory requirements.

**Composition & Meetings:**

The composition of the Committee as on March 31, 2026, is given below:

Name of the Members	Designation
Mr. J. Prakash Rayen	Executive Director- Operations
Mr. S. Parthiban	Executive Vice President - Chief Technology Officer
Mr. K. Kannan	Associate Executive Vice President - CBO
Mr. Sekhar Vikas	EVP & Business Head – MSME Urban
Mr. Sankar Annamalai	Senior Executive Vice President - CBO - Home Loans
Mr. Sathish R	Senior Vice President - Business Head - Vehicle Finance
Mr. R. Vijay	Chief Credit Officer

**III. Information Security Committee**

Pursuant to the directions given in the Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices issued by RBI dated November 7, 2023, Information Security Committee comprising of the members from management, has been constituted by the IT Strategy Committee in its meeting held on January 30, 2024, to assist in managing the cyber and information security.

**Terms of Reference:**

- Development of information/cyber security policy.
- Approve and monitor InfoSec projects and security awareness initiatives.
- Review the cyber incidents, IS audit observations, monitoring, and mitigation.
- Update ITSC periodically on the activities of ISC.

**Composition & Meetings:**

The composition of the Committee as on March 31, 2026, is given below:

Name of the Members	Designation
Mr. R. Vijay	Chief Credit Officer
Mr. J. Prakash Rayen	Executive Director- Operations
Mr. S. Parthiban	Chief Technology Officer
Mr. K. Kannan	Associate Executive Vice President - CBO
Mr. Sekhar Vikas	Business Head – MSME Urban
Mr. Sankar Annamalai	Senior Executive Vice President - CBO - Home Loans
Mr. Sathish R	Senior Vice President - Business Head - Vehicle Finance

**IV. Operational Risk Management Committee****Terms of Reference:**

- Identifying and assessing the materiality of Operational Risks inherent in their respective business units through the use of Operational Risk Management tools
- Establishing appropriate controls to mitigate inherent Operational Risks, and assessing the design and effectiveness of these controls through the use of the Operational Risk Management tools
- Reporting whether the business units lack adequate resources, tools and training to ensure identification and assessment of Operational Risks
- Identification of KRI across people, process and systems
- Review and monitor data from respective SPOCs of all function on monthly basis
- Review KRIs on quarterly basis, status update on Risk Register Action items and outcome to be updated to RMC
- Items such as Third-Party management, BCP/DR & Incident Management, Info security & Cyber risk shall be discussed as part of IT Steering Committee

**Composition & Meetings:**

The composition of the Committee as on March 31, 2026, is given below:

Name of the Members	Designation
Mr. D. Arulmany	MD & CEO
Mr. J. Prakash Rayen	Executive Director- Operations
Mr. R. Vijay	Chief Credit Officer
Ms. Kanchana Srikanth	Executive Vice President & Chief Compliance Officer (CCO)
Mr. Kumareshan Sivam	Senior Vice President – HR
Mr. Sathish R	Senior Vice President - Business Head - Vehicle Finance
Mr. K. Kannan	Associate Executive Vice President - CBO
Mr. Sankar Annamalai	Senior Executive Vice President - CBO - Home Loans
Mr. S. Parthiban	Executive Vice President - Chief Technology Officer

**V. Change Management Committee**
**Terms of Reference:**

- Change management shall assess the evolution of associated risks across time, from inception to termination
- Any new or change in processes, systems and new products, entering a new geography or region, implementing new or modifying the technology (applicable for all functions)
- Any challenges or disruptions in the changes implemented already
- To leverage change management capabilities in accordance with the change management processes as a way to assess potential effects on the delivery of critical operations and their interconnections and interdependencies for ensuring operational resilience.

**Composition & Meetings:**

The composition of the Committee as on March 31, 2026, is given below:

Name of the Members	Designation
Mr. J. Prakash Rayen	Executive Director- Operations
Mr. Naveen Raj R	Chief Financial Officer
Mr. R. Vijay	Chief Credit Officer
Ms. Kanchana Srikanth	Executive Vice President & Chief Compliance Officer (CCO)
Mr. Sathish R	Senior Vice President - Business Head - Vehicle Finance
Mr. K. Kannan	Associate Executive Vice President – CBO
Mr. Sankar Annamalai	Senior Executive Vice President - CBO - Home Loans
Mr. S. Parthiban	Executive Vice President - Chief Technology Officer

**VI. Ethics and Code of Conduct Committee**
**Terms of reference:**

The purpose of Ethics/Code of Conduct Committee is to

- |   |  |
|---|--|
| <ol style="list-style-type: none"> <li>(1) To ensure adherence of Ethics and Code of Conduct policy</li> <li>(2) To Review the policy</li> <li>(3) To provide guidance on ethical dilemmas, and ensuring compliance with ethical standards and policies</li> <li>(4) To promote prompt internal reporting of violations and suspected violations</li> </ol> | <ol style="list-style-type: none"> <li>(5) To raise awareness of acceptable and unacceptable behaviour, and through this endeavour to avoid any real or perceived misconduct</li> <li>(6) To ensure that all are aware of the potential internal and external disciplinary actions, legal actions and sanctions that may follow unacceptable behaviours</li> <li>(7) Assist the Disciplinary Committee in undertaking appropriate disciplinary actions in instances of violations of the Code</li> <li>(8) Ethical training and status of such training</li> <li>(9) Ethics Committees ensure that the organization adheres to ethical and legal standards, reducing the risk of legal consequences</li> </ol> |
|---|--|

**Composition & Meetings:**

The composition of the Committee as on March 31, 2026, is given below:

Name of the Members	Designation
Mr. J. Prakash Rayen	Executive Director- Operations
Mr. R. Vijay	Chief Credit Officer
Ms. Kanchana Srikanth	Executive Vice President & Chief Compliance Officer (CCO)
Mr. Kumareshan Sivam	Senior Vice President – HR
Mr. Sathish R	Senior Vice President - Business Head - Vehicle Finance
Mr. K. Kannan	Associate Executive Vice President – CBO
Mr. Sankar Annamalai	Senior Executive Vice President - CBO - Home Loans
Mr. S. Parthiban	Executive Vice President - Chief Technology Officer

### VII. Special Committee for Monitoring and Follow-up of cases of Frauds (SCMF)

**Terms of Reference:**

The purpose of SCMF is:

- i. To analyse frauds, potential losses, non-compliance, breaches etc. and recommend corrective measures to prevent recurrences
- ii. Reviewing fraudulent and potential fraudulent transactions
- iii. To oversee the effectiveness of the fraud risk management framework.
- iv. To review and monitor cases of frauds covering the categories/trends of frauds, industry/sectoral/geographical concentration of frauds, delay in detection/classification of frauds and delay in examination/conclusion of staff accountability, etc.
- v. To do root cause analysis on the cases of frauds, and suggest mitigating measures for strengthening the internal controls, risk management framework and minimising the incidence of frauds.
- vi. To periodically review the pending fraud cases of the Company on a quarterly basis.
- vii. To oversee the implementation of the fraud risk management policy approved by the Board of the Company.

**Composition & Meetings:**

The composition of the Committee as on March 31, 2026, is given below:

Name of the Members	Designation
Mr. D. Arulmany	MD & CEO
Mr. J. Prakash Rayen	Executive Director- Operations
Mr. R. Vijay	Chief Credit Officer
Ms. Kanchana Srikanth	Executive Vice President & Chief Compliance Officer (CCO)
Ms. V. Aruna	Company Secretary and Compliance Officer

### VIII. Whistle Blower Enquiry Team

As per the Whistle Blower Policy implemented by the Company, the Employees, Directors or any Stakeholders associated with the Company are free to report illegal or unethical behaviour, actual or suspected fraud, or violation of the Company's Code(s) of Conduct or Corporate Governance Policies or any improper activity.

The Audit Committee has constituted a Whistle Blower Enquiry Team ("WBET") to receive and act on all reports or Protected Disclosures made under this Policy. WBET comprises of the following members who are responsible for receiving all protected disclosures, maintaining confidentiality, and ensuring appropriate action.

During the year, no person was denied access to the Chairperson of the Audit Committee.

Name of the Members	Designation
Mr. D. Arulmany	MD & CEO
Mr. J. Prakash Rayen	Executive Director- Operations
Ms. V. Aruna	Company Secretary and Compliance Officer

WBET is empowered to appoint an enquiry Committee as needed to conduct investigations and fact-finding processes. The members of this Committee exhibit fairness, objectivity, thoroughness, ethical behaviour, and high standards of professionalism. Depending on the nature of the Protected Disclosure, WBET also appoints independent investigators at its discretion for fact-finding purposes. A quarterly report on the whistle blower complaints is placed before the Audit Committee and the Board for its review.

#### IX. Committees and Mechanism for Identification and Classification of Wilful Defaulters:

##### (i) The Identification Committee (IC)

As mandated by RBI, an identification Committee has been constituted with an officer not more than one rank below the MD and CEO as chairperson and two senior officials, not more than two ranks below the chairperson of the Committee, as members. Accordingly, the Identification Committee composition is as below:

<b>Chairperson</b>	Mr. J. Prakash Rayen, Executive Director- Operations
<b>Member</b>	BH's of the respective vertical
<b>Member</b>	Chief Risk Officer
<b>Member</b>	Collection Head of respective vertical

The data of NPA accounts wherein the outstanding dues are more than ₹ 25 lakhs are submitted to by Operations Team to Risk Management and Collection team who examines the borrower's financial statements, security cover, etc. to detect any indications of Wilful Default, and place the same before the Identification Committee on a monthly basis.

If wilful default is detected, the Committee or its authorized person issues a 21 days show-cause notice to borrowers or individuals responsible for management. If wilful default is observed in initial screening the IC completes the classification of the borrower as wilful defaulter within 6 months of classification of NPA.

If the borrower is identified as Wilful defaulter, a report is to be presented to Review Committee for

its observations and decision. Simultaneously this proposal shall also be communicated to the guarantor/ promoter/ director/ persons who are responsible for managing the affairs of the said entity and an opportunity shall be provided to submit a written representation within 15 days to the Review Committee.

##### (ii) The Review Committee (RC)

As mandated by RBI, a Review Committee is constituted for the purpose of reviewing the proposal of the Identification Committee. The MD and CEO as chairperson with two independent directors or non-executive directors or equivalent officials serving as members.

Accordingly, the following is the composition of the Review Committee:

<b>Chairperson</b>	Mr. D. Arulmany, MD & CEO
<b>Member</b>	Mr. Mathew Joseph, Non-executive Independent Director
<b>Member</b>	Ms. Priyamvada Ramkumar, Non-executive Nominee Director

The RC evaluates the proposal given by IC and an opportunity will be provided to borrower/ guarantor/ promoter/ director/ persons who are in charge and responsible for the management of the affairs of the entity for making a written representation to Review Committee within 15 days of such a proposal from the Identification Committee.

However, if the opportunity is not availed or if the personal hearing is not attended by the borrower/ guarantor/ promoter/ director/ persons who are in charge and responsible for the management of the affairs of the entity, the Review Committee shall, after assessing the facts or material on record, including written representation, if any, consider the proposal of the Identification Committee and take a decision.

The Review Committee shall pass a reasoned order and the same shall be communicated to the wilful defaulter.

As on March 31, 2026, no borrower of our Company has been identified as a wilful defaulter.

#### General Body Meetings

During the period from April 01, 2025, to March 31, 2026, apart from the Annual general meeting (AGM), one Extra-Ordinary General Meetings (EGM) were held as per details given below:

S. No	Type of meeting	Date	Time	Venue	Special resolutions passed
1	EGM	15.04.2025	10:00 am	Registered office of the Company	<ul style="list-style-type: none"> <li>To increase the borrowing powers of the Board of Directors</li> <li>Authorization for issuance and allotment of debt securities.</li> <li>To undertake the transaction(s) for Securitization/Selling/Transfer/ Direct Assignment of its receivables/book debts.</li> <li>To approve creation of Security cover / Charges on the assets of the Company as per Sec 180(1)(a) of Companies Act, 2013.</li> </ul>

The Annual General Meeting for the last three years were held on June 28, 2023, June 10, 2024, and July 21, 2025, respectively.

S. No	Type of Meeting For the Financial Year	Date	Time	Venue	Special resolutions passed
1	2025-26	21.07.2025	10:00 am	Registered office of the Company	<ul style="list-style-type: none"> <li>To consider and approve the re-appointment of Mr. D. Arulmany (DIN: 00009981) as the Managing Director &amp; Chief Executive Officer of the Company for a further term of five years.</li> <li>To consider and approve the payment of annual commission to the independent directors of the company for FY 2024-25.</li> </ul>
2	2024-25	10.06.2024	10:00 am	Registered office of the Company	<ul style="list-style-type: none"> <li>To Approve the Reclassification of Authorized Share Capital and Consequent Alteration of Memorandum of Association (MOA)</li> <li>To Approve the Conversion of Status from Private Limited Company to Public Limited Company.</li> <li>To Approve the Alteration in the Memorandum of Association of the Company.</li> <li>To Approve the Alteration in the Articles of Association of the Company.</li> </ul>
3	2023-24	28.06.2023	10:00 am	Registered office of the Company	<ul style="list-style-type: none"> <li>To Consider and Approve the Issuance of 82,36,723 Equity Shares of Face Value ₹ 10/- Per Share by Preferential Allotment and Private Placement at ₹ 485.63/- Per Share Aggregating to ₹ 399,99,99,790/-.</li> <li>To Consider and Approve the Issuance of 26,89,518 Partly Paid Equity Shares at A Price of ₹485.63/- Per Share by Preferential Allotment.</li> <li>To Consider and Approve the Formation of a Gratuity Trust by the Company.</li> </ul>

All the proposed resolutions, including special resolutions, were passed by the shareholders as set out in their respective Notices.

#### Separate posts of Chairperson and Managing Director/ Chief Executive Officer

As on the date of this report, the Chairman of the Board is Mr. Raj Vikash Verma, a Non-Executive Independent Director and Mr. D. Arulmany is the Managing Director & Chief Executive Officer of the Company. The position of the Chairman is separate from that of the Managing Director, and they are not related to each other.

#### Regulatory & Statutory Compliances

The Company has complied with all the guidelines, circulars, notifications and directions issued by Reserve Bank of India and other regulators from time to time. The Company also places before the Board of Directors at regular intervals all such circulars and notifications to keep the Board informed and report on the actions initiated on the same.

The Company has also been following provisions of the Companies Act, 2013, including the applicable Secretarial Standards issued by ICSI, applicable accounting standards, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025, Reserve Bank of India Act, 1934, Master Direction Reserve Bank of India (Non-Banking Financial Companies - Governance) Directions, 2025 Other RBI Guidelines, Goods and Services Tax Act, 2017, The Income Tax Act, 1961, the applicable labour laws and other applicable statutory requirements.

## PARTICULARS OF SENIOR MANAGEMENT:

The details of Senior Management Personnel (“SMP”) as defined under Regulation 16(d) of the Listing Regulations, including changes therein since the close of previous Financial Year is given hereunder:

### Details of Senior Management as on March 31, 2026:

S. No	Name of SMP	Designation
1.	Mr. D. Arulmany	Managing Director and Chief Executive Officer
2.	Mr. Prakash Rayen J	ED –Operations
3.	Mr.Naveen Raj R	Chief Financial Officer
4.	Mr. Kannan	Associate Executive Vice President –CBO
5.	Mr. Sankar Annamalai	Senior Executive Vice President - CBO - Home Loans
6.	Mr.R. Sathish	Senior Vice President - Business Head - Vehicle Finance
7.	Mr.Vijay Subramanian R	Chief Credit Officer
8.	Mr.Christopher Robin	EVP &Chief audit Officer
9.	Ms.Kanchana Srikanth	Executive Vice President & Chief Compliance Officer (CCO)
10.	Mr.S Parthiban	Executive Vice President - Chief Technology Officer
11.	Mr. M Mahesh	Senior Vice President - Treasury
12.	Ms. S V laxmi	Chief Risk Officer
13.	Ms .V Aruna	Company Secretary and Compliance Officer
14.	Mr. Sekhar Vikas	EVP & Business Head
15.	Mr. Srinivas Tallapalli	Associate VP – Credit
16.	Mr. Sarath Chandran Damodaran	Senior Vice President – Chief Technical Officer
17.	Mr. Kumareshan Sivam. P	Senior Vice President - HR

### Changes in Senior Management Personnel during FY 2025-26:

S. No	Name of the SMP	Designation	Reason for change	Effective date of Appointment/Cessation
1	Mr. Sridhar L	Vice President – CSR	Resignation- To pursue another opportunity outside the Organization	31.03.2026
2	Mr. T.E. Sudharsan	Senior Vice President – Operations	Resignation- To pursue another opportunity outside the Organization	31.12.2025
3	Mr. Shankar Subramanian	Vice President – Analytics	Resignation- To pursue another opportunity outside the Organization	30.09.2025
4	Ms. S V Laxmi	Chief Risk Officer	Change in designation	01.10.2025
5	Mr. R. Vijay	Chief Credit Officer	Change in designation	01.10.2025

### Details of penalties and strictures

The instances of penalties and fine imposed if any on the Company by Statutory Authorities in the normal course of the business are detailed in the financial statements of the Company.

### Quarterly Compliance Report

The Board reviews the compliance of all applicable laws every quarter, which are validated by the internal auditors, and gives appropriate directions, wherever necessary.

### Related Party Transactions

The particulars of transactions between the Company and its related parties, as defined in Indian Accounting Standard 24, are set out in the financial statements. There were no material transactions with related parties i.e., transactions of the Company of material nature, with its directors or the management, their associates or relatives etc. that may have potential conflict with the interest of Company at large.

As per Rule 4(1) of the Companies (CSR Policy) Rules, 2014, the Company has formed a trust in the name of “Veritas Foundation” (“The Trust”) to implement the CSR activities of the Company (CSR00046476). The Trust has been duly registered with the Registrar vide trust deed dated December 14, 2022. The particulars of transactions between the Company and the Trust are set out in Annexure – II: AOC-2.

### Means of Communication

Your Company is committed to upholding the highest standards of transparency and stakeholder engagement through timely, accurate and effective communication with its shareholders, investors and other stakeholders. In furtherance of this commitment, the Company leverages various communication channels to disseminate material information relating to its financial performance, business developments, corporate governance matters and statutory disclosures.

The quarterly and annual audited/unaudited financial results of the Company were published in leading newspapers, namely Business Standard (English), and BusinessLine (English) within 48 hours of the conclusion of the respective Board Meetings at which such results were approved. The financial results are also hosted on the Company's website at <https://www.veritasfin.in/announcement-and-results.php>.

Further, all material information and intimations submitted to the stock exchanges from time to time are made available on the Company's website. The website also hosts details relating to the Statement of Utilisation and Deviation, Credit Ratings, Annual Reports, Familiarisation Programme for Independent Directors and other relevant information for the benefit of shareholders and stakeholders.

#### Other Disclosures:

##### Code for Prevention of Insider Trading Practices

The Company has formulated and adopted the 'Code of conduct for Fair Disclosure of Unpublished Price Sensitive Information and Code of Conduct to Regulate, Monitor and Report Trading by Insiders in compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations"). The Code lays down Guidelines, which advise them on procedures to be followed and disclosures to be made, while dealing with securities of the Company and caution them of the consequences of violations.

##### Policy and procedure for Enquiry in case of leak/suspected leak of Unpublished Price Sensitive Information

The Company has formulated the 'Policy and procedure for Enquiry in case of leak / suspected leak of Unpublished Price Sensitive Information' ('UPSI'). The Policy is formulated to maintain ethical standards in dealing with sensitive information of the Company by persons who have access to UPSI. The rationale of the Policy is to strengthen the internal control systems to ensure that UPSI is not communicated to any person except in accordance with the Insider Trading Regulations. The Policy also provides an investigation procedure in case of leak/suspected leak of UPSI.

#### Credit Rating:

Veritas Finance Limited continues to maintain strong credit ratings across its borrowing instruments. During the Financial year, the Company's long term Bank Loans & Non-convertible debentures (NCDs) has been upgraded to CARE AA-/Stable from CARE A+/Positive by CARE Ratings Ltd in the month of June 2025. The short-term bank facilities & commercial paper programme continue to carry a CARE A1+ rating.

#### Disclosures pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

In line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 your Company has adopted a Policy on Prevention of Sexual Harassment at Workplace and Rules framed thereunder. The said policy is uploaded on the website of the Company which can be accessed at <https://www.veritasfin.in/prevention-of-sexual-harassment.php>.

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

During the financial year, no complaints were received and no outstanding complaints as on March 31, 2026.

#### Reporting of Internal Auditor:

The Internal Auditor of the Company reports directly to the Audit Committee, thereby ensuring independence and effective oversight.

#### Modified opinion(s) in Audit Report:

The Auditors have expressed an unmodified opinion in their report on the financial statements of the Company.

#### Commodity price risks and commodity hedging activities:

The Company does not deal in any commodity and hence is not directly exposed to activities any commodity price risk. The Company has converted few Rupee denominated loans into foreign currency loans (FC loans) and has entered derivative transactions (through forward contracts) with counter party to hedge its foreign exchange risks associated thereon. These foreign currency loans (FC loans) are fully hedged and do not possess any foreign exchange risk.

#### Plant Locations:

As the Company is not involved in any manufacture, it does not have any plant locations.

#### Registrar and Share Transfer Agents:

**Name:** KFin Technologies Limited  
(Formerly known as KFin Technologies Private Limited)  
**Address:** Selenium Tower B, Plot Nos. 31 & 32,  
Financial District, Nanakramguda,  
Serilingampally Mandal, Hyderabad – 500032,  
Telangana, India.  
**Website:** [www.kfintech.com](http://www.kfintech.com)

#### Compliance Officer for LODR requirements

In terms of Regulation 6 of SEBI Listing Regulations, the Board has appointed Ms. V. Aruna, Company Secretary & Compliance Officer as the Compliance Officer of the Company, the details of whom are given below:

Name of the Compliance Officer: Ms. V. Aruna  
Designation: Company Secretary & Compliance officer

#### Shareholder complaints:

During FY 2025-26, the Company did not receive any complaints from shareholders. However, the Company received one complaint from a customer on the SCORES portal in relation to loan sanction process impugning the sanction, and the Company has duly submitted the Action Taken Report (ATR) along with necessary supporting documents within the prescribed due date and the Statement of Investor Complaints has been filed, in this regard, under SEBI (Listing Obligations and Disclosure Requirements).

### Redressal of investor grievances through the SEBI Complaint Redressal (SCORES) Platform and linking it to Online Dispute Resolution platform:

SEBI vide circular dated May 30, 2022 (“SOP Circular-2022”) had introduced Standard Operating Procedures (SOP) for dispute resolution under the Stock Exchange arbitration mechanism for disputes between a Listed Company and/or Registrars to an Issue and Share Transfer Agents (RTAs) and its Shareholder(s)/Investor(s).

SEBI, thereafter, vide Circular dated July 31, 2023, read with Master circular dated December 20, 2023, as amended, expanded the scope of investors complaints and by establishing a common Online Dispute Resolution Portal (‘ODR Portal’) which harnesses online conciliation and online arbitration for resolution of disputes arising in the Indian Securities Market. For detailed processes, the said circulars can be viewed on the Company’s website at the following link <https://www.veritasfin.in/investor-grievance.php>

### Website

The Company’s website is in line with the requirements laid down under Regulation 62 of the SEBI Listing Regulations. It is a comprehensive reference of Company’s management, vision, mission, policies, corporate governance (Annual Reports, Intimation to stock exchanges), updates and news.

**Listing on stock exchanges:** The Non-convertible debt securities of the Company are listed on the debt market segment of BSE Limited and National Stock Exchange Limited. Annual listing fees, as prescribed, have been paid to the stock exchanges up to March 31, 2026.

### Shareholding pattern as on March 31, 2026

#### Equity Shares:

Category	Number of Shares	% of total
Founder & Relatives	1,29,49,491	9.86%
Resident Individual Investors	87,99,611	6.71%
Employees & their Relatives	30,00,925	2.29%
Institutional Investors and their affiliates	10,65,30,632	81.15%
Others	3,550	0%
<b>Total</b>	<b>13,12,84,209</b>	<b>100%</b>

#### Address for Correspondence:

#### Veritas Finance Limited

(Formerly known as Veritas Finance Private Limited)  
 SKCL Central Square 1, 7<sup>th</sup> Floor, South & North Wing, Unit # C28-C35,  
 CIPET Road, Thiru Vi Ka Industrial Estate, Guindy, Chennai – 600032  
 Tel.: +91 44 4615 0011  
 E-mail: [corporate@veritasfin.in](mailto:corporate@veritasfin.in)  
 Website: <http://www.veritasfin.in>

On behalf of the Board of Directors

#### For Veritas Finance Limited

(Formerly known as Veritas Finance Private Limited)

sd/-

#### Raj Vikash Verma

Chairman and Independent Director  
 DIN: 03546341  
 Place: Gurgaon  
 Date: May 07, 2026

sd/-

#### D. Arulmany

Managing Director & CEO  
 DIN: 00009981  
 Place: Chennai  
 Date: May 07, 2026

# Management Discussion and Analysis

## Economy Overview

### Global Economy<sup>1</sup>

Amid persistent geopolitical turbulence and evolving trade dynamics, global growth remained broadly stable during the year. Global GDP expanded by 3.4%, exhibiting notable resilience. Steady private investment and supportive fiscal policies across major economies helped facilitate this performance. Inflation moderated to 4.1%. The relative stability in currency movements and cross-border capital inflows created space for several central banks to gradually recalibrate their monetary policy. In some countries, reductions in interest rates helped sustain economic activity.

Growth remained divergent across regions. A 1.9% growth was recorded in Advanced Economies. The US economy maintained its growth momentum on the back of healthy technology investments. Growth in the Eurozone remained subdued. Higher aerospace exports facilitated the growth of the economy of France.

Conversely, Emerging Market and Developing Economies (EMDEs) outpaced their advanced counterparts, expanding by 4.4% during the year. This growth is propelled by strong domestic demand and export activity in China.

### Global Growth Projections



Source: IMF World Economic Outlook

### Outlook<sup>2</sup>

Global output is projected to sustain growth of 3.1% in CY 2026, broadly in line with the prior year. This outlook indicates continued resilience in aggregate demand. Stronger domestic demand and expanding trade linkages across Asia are expected to bolster growth momentum. However, the outlook remains subject to elevated uncertainty, with persistent geopolitical conflicts and tariff-related trade disruptions posing downside risks.

Encouragingly, the convergence of an accommodative fiscal stance and sustained investments in advanced technologies is expected to propel growth. These factors are anticipated to support business confidence, encouraging businesses around the world to expand investment and production.

Inflationary pressures are foreseen to moderate further. This is likely to translate into stable currency movements and a gradual easing in nominal wage growth. This environment may allow several central banks to continue cautiously easing monetary policy, which could in turn augment economic activity.

However, elevated public debt levels in several major economies could place upward pressure on borrowing costs and tighten financial conditions if fiscal adjustments are delayed. In this context, prudent debt management and policies that encourage private investment are essential to maintain economic stability and support sustainable growth.

Recent geopolitical developments have further added to global uncertainty. The escalation of tensions in West Asia has raised concerns around energy supply disruptions and volatility in commodity markets. In this context, sustained policy coordination and stable financial conditions are foreseen to be critical to preserving global economic momentum.

### Outlook for Inflation

Inflation is expected to moderate to 3.8% in CY 2026 and further to 3.4% in CY 2027.

### Indian Economy

India's economy maintained its steady growth momentum in FY 2025-26, expanding by 7.7%. This can be attributed to a confluence of factors, such as stable macroeconomic fundamentals, continued policy support and steady expansion across crucial sectors. Despite external economic turbulence, India remained one of the fastest-growing major economies worldwide.

Inflation eased during the year to 2.8%, which was well within the Reserve Bank of India (RBI's) target range of 2% to 6%<sup>3</sup>. This decline in price pressures provided greater policy flexibility and allowed the Monetary Policy Committee to reduce the repo rate by 100 basis points YoY to 5.25%. The sequential cuts in repo rate are expected to support credit conditions and fuel financial sector activity.<sup>4</sup>

Policy initiatives also supported domestic demand. The GST 2.0 rationalisation helped reduce input costs for the Micro, Small and Medium Enterprises (MSMEs) and also eased the indirect tax burden on consumers. These measures contributed to stronger consumption, elevated purchasing power and increased credit demand. Further, under the Pradhan Mantri Mudra Yojana (PMMY), the government is funding micro and small enterprises

<sup>1</sup><https://www.imf.org/-/media/files/publications/weo/2026/january/english/text.pdf>

<sup>2</sup><https://www.imf.org/-/media/files/publications/weo/2026/january/english/text.pdf>

<sup>3</sup>[https://www.mospi.gov.in/uploads/latestReleases/latest\\_release\\_1770891893893\\_6b458c0a-c327-4fef-a554-41131ea67273\\_Press\\_Release\\_of\\_CPI\\_for\\_Jan26.pdf](https://www.mospi.gov.in/uploads/latestReleases/latest_release_1770891893893_6b458c0a-c327-4fef-a554-41131ea67273_Press_Release_of_CPI_for_Jan26.pdf)

<sup>4</sup><https://rbidocs.rbi.org.in/rdocs/Bulletin/PDFs/0BUL2002206F396B049E0627497EAEF853A3FD2B7F79.PDF>

in manufacturing, trading, services and related agricultural activities, disbursing around ₹ 36.18 Lakhs crore across 55.45 crore loan accounts<sup>5</sup>.

Collectively, these developments bring the resilience of the economy to the fore. Robust domestic demand and strong fundamentals are expected to sustain the growth momentum.

#### Outlook<sup>6</sup>

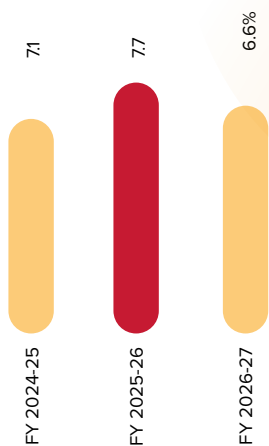
India's growth outlook remains favourable. GDP is expected to grow by 6.6% in FY 2026-27 despite external turbulence. Growth is likely to be supported by moderating inflation and favourable supply-side conditions, which are anticipated to strengthen domestic demand and support investment activity.

Investment momentum is also foreseen to remain steady, supported by healthy financial conditions, robust credit growth and continued infrastructure spending. Policy measures outlined in the Union Budget 2026–27 aim to further support manufacturing activity by strengthening the MSME sector, easing cost pressures and encouraging domestic production of critical technologies to enhance competitiveness and scalability.

The year ahead is foreseen to be a year of calibrated adjustments. Domestic demand and investment activity are envisioned to be the primary growth drivers. During the year, India continued to broaden its trade engagement through multiple trade agreements with partner nations. The recently concluded FTA with EU is expected to expand market access, strengthen supply chain integration and support overall economic momentum.

Overall, domestic demand resilience, reform continuity and targeted fiscal support position the country well for the year ahead, notwithstanding external uncertainties.

#### GDP Growth Trend in India (%)



Source: MOSPI Second Advance Estimates RBI Bulletin, February 2026

## Industry Overview

### Non-Banking Financial Sector

The Non-Banking Financial Company sector continues to exhibit notable resilience, attributable to steady capitalisation and a strong growth momentum. Even as episodic asset-quality pressures and macroeconomic uncertainty moderated the pace of expansion, retail assets under management grew by nearly 17% in FY 2025-26. This performance reaffirmed the sector's position as one of the fastest-growing segments within the financial system.

Growth during the year was particularly visible in vehicle finance and personal or consumption-linked lending, where the reduction in GST rates encouraged households to advance discretionary purchases. This led to a demand augmentation.

Looking ahead, NBFC-retail Asset Under Management (AUM) (excluding HFCs) is expected to grow at a steady pace of 16-18% and exceed ₹ 30 Lakhs crore by FY 2026-27<sup>7</sup>.

### Promoting Ease of Doing Business for NBFCs

Regulatory measures aimed at simplifying operational requirements are also envisioned to support sectoral expansion. NBFCs without public funds and customer interface, with asset size below ₹ 1,000 crore, may no longer need to register. Additionally, some NBFCs might not require prior approval to open more than 1,000 branches, which would make it easier to expand<sup>8</sup>. This move could significantly ease geographic expansion and improve credit penetration across underserved regions.

### MSME Industry<sup>9</sup>

Micro, Small and Medium Enterprises (MSMEs) remain integral to India's industrial growth. The industry significantly contributes to the manufacturing output, export activity and employment creation. With more than 7.47 crore enterprises, this sector represents the second-largest employer in the country after agriculture. These facts convey the expansive economic footprint of the industry.

As India's manufacturing sector becomes progressively more integrated in global value chains, MSMEs are playing an increasingly critical role in strengthening supply chains, increasing local production and supporting balanced regional development. Moreover, MSME credit remained the primary driver of the industrial credit growth during the year.

Policy support has also gathered momentum. The Union Budget 2026-2027 introduced several measures to nurture MSMEs as future growth champions. The steps include the establishment of a ₹ 10,000 crore SME Growth Fund. This is aimed at improving liquidity access while strengthening managerial and professional capabilities across the sector.<sup>10</sup>

<sup>5</sup><https://www.pib.gov.in/PressReleasePage.aspx?PRID=2219907&reg=3&lang=2>

<sup>6</sup><https://rbidocs.rbi.org.in/rdocs/Bulletin/PDFs/OBUL2002206F396B049E0627497EAEF853A3FD2B7F79.PDF>

<sup>7</sup><https://www.icra.in/Research/ViewResearchReport/nbfc-retail-assets-under-management-to-cross-₹-30-Lakhs-crore-by-fy2027/6759>

<sup>8</sup><https://rbidocs.rbi.org.in/rdocs/Bulletin/PDFs/OBUL2002206F396B049E0627497EAEF853A3FD2B7F79.PDF>

<sup>9</sup><https://www.pib.gov.in/PressReleasePage.aspx?PRID=2219984&reg=3&lang=2>

<sup>10</sup><https://www.pib.gov.in/PressReleasePage.aspx?PRID=2228306&reg=3&lang=2>

**MSME Contribution**

**35.4%**

Manufacturing

**48.58%**

Exports

**31.1%**

GDP

**32.8 crore**

Employment generated

**Powering MSMEs**

The MSME sector witnessed a milestone in digital transformation, with formalisation on the rise.

**Digital Transformation Milestone of MSMEs: Accelerating Formalization**

(01.07.2020 to 17.12.2025)

**7.30 crore+**

Total Registrations

**4.37 crore**

Registrations

Udyam Registration Portal

**2.92 crore**

Registrations

Udyam Assist Platform

Source: Union Budget 2026-27: Building Champion MSMEs for a Global India

**Housing Finance Industry**

Expansion of India's housing finance industry is being buoyed by rapid urbanisation, sustained demand for residential housing and improving household incomes. The demand, once largely concentrated in metropolitan cities, is now notably spreading across Tier-2 and Tier-3 cities. Expanding employment opportunities and improving physical infrastructure are gradually altering local housing demand patterns.

Competitive intensity within the sector has also increased. While Public sector banks are seeking to stimulate demand through relatively lower lending rates, NBFCs are differentiating themselves through faster loan processing, digitally enabled applications and quicker credit approvals. These developments are improving customer experience and accessibility.





Policy support has further strengthened the outlook of the industry. The government's decision to rationalise GST rates of crucial construction materials and related services is expected to improve housing affordability.

Together with ongoing urbanisation and infrastructure expansion, these measures are anticipated to reaffirm the progress towards the 'Housing for All' vision, while supporting inclusive urban growth.




**Vehicle Financing Industry**

The Indian vehicle financing industry is undergoing a transformative phase, supported by favourable interest rates, faster digital loan processes and improved credit assessment methods. Collectively, these factors are expanding access to vehicle financing and driving sustained long-term growth.

An important shift is also underway in the pre-owned vehicles segment, which is gaining prominence within the broader vehicle finance ecosystem. The share of used-vehicle loans is expected to rise as NBFCs deepen their penetration in this segment. This trend is likely to gradually raise the share of pre-owned assets within overall NBFC vehicle loan portfolios. The share is expected to rise steadily to over 41% by 2027<sup>11</sup>.

<b>Opportunities</b>	<b>Digital-First Lending Models</b>		Digitalisation is changing the NBFC landscape. Loan applications, credit checks, approvals and collections are now being executed through digital and online platforms. This is reducing costs and reducing turnaround times. These systems are also strengthening compliance oversight as structured digital records provide transparency and reduce overall risks.
	<b>FinTech Partnerships and Embedded Finance</b>		Collaborations between NBFCs and fintech platforms are opening new pathways for customer acquisition and distribution. This is enabling NBFCs to offer loans directly on apps and marketplaces. Such partnerships are enabling organisations to broaden their customer reach while improving loan accessibility and lowering acquisition costs.
	<b>Data-Based Lending</b>		Information drawn from GST data, bank statements, UPI transactions and other alternative sources is helping lenders to evaluate creditworthiness of borrowers with greater precision, thereby reducing default risks.
	<b>Expansion into Tier II and Tier III Cities</b>		Rising digital adoption across smaller cities is presenting new opportunities for NBFC growth. Lenders are extending their presence beyond metropolitan centres and tapping into new customer segments.

<sup>11</sup><https://www.icra.in/Research/ViewResearchReport/lenders-shift-focus-to-pre-owned-vehicles-returns-adjusted-for-risk-remain-healthy/6732>

Challenges	<b>Increasing regulatory oversight</b>		The RBI has introduced guidelines that include stricter capital adequacy rules, asset clarification and provisioning requirements. These measures have elevated the compliance burden on NBFCs. Smaller NBFCs may find it difficult to keep up with these changes, which may hinder their growth.
	<b>Governance and Risk Management</b>		Weak governance and inadequate risk management practices are the root of many crises in the NBFC sector. Without strong internal controls, transparency and accountability, there can be mismanagement, fraud and financial instability.
	<b>Liquidity Management</b>		Liquidity management remains critical challenge for NBFCs, especially during periods of economic stress. Liquidity risk arises from the mismatch between the maturities of assets, such as long-term loans and liabilities, such as short-term borrowings, which can create liquidity problems and affect their ability to meet financial obligations.

### Company Overview

Veritas Finance Limited is an Indian Non-Banking Financial Company (NBFC) registered with the Reserve Bank of India (RBI). Established in 2015 and headquartered in Chennai, the Company primarily focuses on providing retail credit and financial services to underserved segments, such as Micro, Small and Medium Enterprises (MSMEs) and self-employed individuals.

With an extensive branch network spanning multiple states, Veritas Finance has built a strong presence in emerging markets where access to credit remains limited. Its growth is supported by a diversified loan portfolio, prudent risk management practices, technology-driven operations and a customer-centric approach.

The Company is led by experienced financial professionals and aims to make credit easily accessible and positively impact millions of Indians working in the informal sector.

**₹ 9,134 crores**

Total loan book

**511**

Total branches  
(including 67 Service centres)

**2.3 Lakhs+**

Customers across various regions



#### Our Services

The Company provides an expansive suite of loans to support MSMEs and salaried customers in semi-urban and rural areas.

- Secured: Medium-term**
  - Rural Business Loans (Financial inclusion loans and Small Business Loans)
  - Used Commercial Vehicle loans
- Secured: Long-term**
  - Affordable Home Loans
- Unsecured: Short-term**
  - Working Capital Loans



#### Our Core Strengths

##### Customer-Focused Strategy

A close understanding of customers in rural and semi-urban markets has been one of the guiding tenets of the Company. Its approach to lending places strong emphasis on the realities of

these communities, where access to timely and flexible credit can make a difference to livelihoods and businesses. The Company's diverse portfolio of offerings encompasses Rural Business Loans, Affordable Housing Loans, Used Commercial Vehicle Loans and Unsecured Working Capital Loans. These products aim to support small businesses and individuals while promoting economic growth and financial inclusion.

##### People as a Core Strength

The Company's workforce represents one of its most valuable assets. With a total workforce of 8,329 employees as of March 2026 and a strong 'teeth-to-tail' ratio of approximately 46%, its skilled and motivated frontline team brings together local insight and strong customer engagement capabilities. This allows the Company to build long-term relationships and deliver consistent service quality.

##### Extensive Distribution Network

The Company's distribution network forms a crucial pillar of its outreach. It operates in 10 states and 1 Union Territories with a focus on the Southern, Eastern and Central regions of India. It has a strong network of 444 branches and 67 service centres, giving it an expansive presence in rural and semi-urban areas. This network provides proximity to borrowers, supports efficient service delivery and establishes the Company as a trusted financial partner for communities across the country.

### Technology-Enabled Loan Processing

By using digital platforms and process automation, the Company has created an efficient loan disbursement system that significantly reduces turnaround time. Its technology-driven processes enable faster approvals and quicker disbursement of funds. This leads to higher customer satisfaction and improved overall business performance through timely credit delivery.

### Robust Governance Framework

The Company follows established governance practices that emphasise accountability, transparency and ethical conduct. These principles guide its decision-making processes and support responsible business operations.

## Business Performance

### Operational Overview

#### Portfolio Growth

Particulars	FY 2025-26	FY 2024-25	% of Growth
Rural Business Loan	5,906.76	5,097.71	15.87%
Affordable Housing Loan	1,952.49	1,408.63	38.61%
Vehicle Loan	824.68	325.49	153.37%
Unsecured Working Capital Loan	450.36	516.81	-12.86%
<b>TOTAL</b>	<b>9,134.29</b>	<b>7,348.64</b>	<b>24.30%</b>

#### Capital

Particulars	FY 2025-26	FY 2024-25
Equity Share Capital	131.36	131.36
Reserves and Surplus	2,995.52	2,651.81
<b>Net worth</b>	<b>3,126.88</b>	<b>2,783.17</b>

#### Diversified Funding Profile

Particulars	FY 2025-26	FY 2024-25
Term Loan from Banks	4,994.66	3,838.21
Cash Credit from Banks	19.00	5.98
Term Loan from NBFCs/DFIs	594.74	440.07
Non-Convertible Debentures (Banks, Mutual Funds, NBFCs, HNI, etc)	955.85	568.31
Securitisation - (PTCs) (Mutual Funds, NBFCs)	809.85	776.67
<b>Total</b>	<b>7,374.10</b>	<b>5,629.24</b>

## Financial Overview

The key financial highlights of the FY 2025-26

### Balance Sheet

The summarised version of the Company's Balance Sheet is given below: (₹ in Crores)

Particulars	FY 2025-26	FY 2024-25	YOY Growth %
Cash and Cash Equivalents and Short-term Investments	1,460.98	1,128.32	29.48%
Loan Assets	8,933.43	7,187.88	24.28%
Other Assets	239.24	199.44	19.96%
<b>TOTAL</b>	<b>10,633.65</b>	<b>8,515.64</b>	<b>24.87%</b>
Liabilities			
Net-worth	3,126.88	2,783.17	12.35%
Borrowings	7,374.10	5,629.24	31.00%
Other Liabilities	132.67	103.23	28.53%
<b>TOTAL</b>	<b>10,633.65</b>	<b>8,515.64</b>	<b>24.87%</b>

## Statement of Profit and Loss

(₹ in Crores)

Particulars	FY 2025-26	FY 2024- 25	YOY Growth %
Revenue from operations	1,844.21	1,550.68	18.93%
Other Income	4.39	6.72	-34.67%
<b>Total Income (A)</b>	<b>1,848.60</b>	<b>1,557.39</b>	<b>18.70%</b>
Finance Cost	580.14	483.09	20.09%
Other Operating Cost	624.31	514.64	21.31%
Provisions and Losses	208.07	171.34	21.44%
<b>Total Expense (B)</b>	<b>1,412.52</b>	<b>1,169.07</b>	<b>20.82%</b>
<b>Profit before tax (PBT) (A-B)</b>	<b>436.08</b>	<b>388.32</b>	<b>12.30%</b>
Current and Deferred Tax	105.69	93.21	13.38%
Profit After Tax (PAT)	330.39	295.11	11.96%
Other Comprehensive Income	(2.48)	(2.92)	-15.07%
<b>Total Comprehensive income, net of Income Tax</b>	<b>327.91</b>	<b>292.19</b>	<b>12.23%</b>

## Key Financial Ratios

Particulars	FY 2025-26	FY 2024- 25
PBT / Total Income	23.59%	24.93%
NIM	14.06%	14.69%
Return on Total Assets (ROTA)	3.54%	3.94%
Return on Equity (ROE)	11.25%	11.52%
EPS		
Basic (₹.)	25.17	22.44
Diluted (₹.)	24.99	22.25
Debt/ Equity	2.36x	2.02x
Capital Adequacy	33.19	37.82



### Credit Rating

During the year, CARE Ratings upgraded the Company's long-term credit rating to 'CARE AA-' with a Stable outlook from 'CARE A+' with a Positive outlook for its long-term bank facilities and non-convertible debentures. The rating agency also reaffirmed the 'CARE A1+' for the Company's short-term bank facilities and Commercial Paper issuance. The upgrade signals the Company's strong growth in AUM, comfortable capitalisation and healthy profitability.



### Investments

The Investment Policy approved by the Board of Directors guides the deployment of temporary cash surpluses, arising from timing differences between cash inflows and outflows. Such surplus funds are primarily invested in liquid or overnight mutual fund schemes and/or fixed deposits with banks/ NBFCs and investment in Government securities and treasury bills.

The investment function focuses on maintaining adequate liquidity to support business requirements while safeguarding the capital. Investments are therefore made in short-term, high-quality instruments that offer a balance between safety and optimal returns. This approach is aligned with the Company's prudent risk management framework. As of March 31, 2026, the investment in Fixed deposits free of lien stood at ₹ 685.58 crores, investment in liquid schemes of mutual funds stood at

₹ 100.07 crores and investment in govt. securities/T-bills stood at ₹ 60.20 crores.



### Asset Liability Management

The Company follows a careful and sensible Asset-Liability Management (ALM) approach to maintain a balance between its assets and liabilities. To ensure adequate liquidity, it usually holds two months' cash requirements through unused credit lines or cash equivalents. This disciplined ALM framework is a core strength of the Company.

For interest rate management, the Company uses a mix of fixed- and floating-rate borrowings. Most of its loans, except home loans, are offered at fixed rates, but its borrowings include both fixed- and floating-rate instruments. The Company actively manages interest rate movements to maintain a healthy net interest spread and ensure steady profitability.



### Information Technology

Veritas Finance Limited continues to advance its digital capabilities by adopting new-age technologies that improve operational efficiency and enrich customer experience. Through process automation, the Company has reduced manual effort, improved turnaround times and simplified workflows. This has allowed the Company to deliver a smoother and more efficient loan lifecycle.

The Company's digital initiatives also focus on ensuring secure and reliable access to critical data. This supports quick and well-informed decision-making. By strengthening its IT infrastructure and building a scalable technology foundation, Veritas is laying the groundwork for sustained long-term growth in the years ahead while improving stakeholder experience.



### Enterprise Risk Management

The Company has established a comprehensive Enterprise Risk Management (ERM) framework designed to identify, assess, monitor and mitigate both internal and external risks. This framework encompasses risk assessments, control reviews, identification of residual risks and the implementation of appropriate mitigation measures. Continuous monitoring mechanisms ensure that risks remain within acceptable thresholds while enabling effective and timely oversight.

### Risk Management Structure and Board Governance





The Risk Management Committee (RMC) meets on a quarterly basis to review and oversee the effectiveness of the Company's risk management framework, in line with the requirements of the Reserve Bank of India's Scale-Based Regulations. The Board provides strong governance oversight and guides risk management practices through established mechanisms, such as the Internal Capital Adequacy Assessment Process (ICAAP), Enterprise Risk Management (ERM) and Operational Risk Management systems. These processes facilitate regular stress testing and help ensure that adequate capital buffers are in place to match the Company's evolving business strategy.



### Foresight and Governance of Emerging Risks

Veritas Finance Limited utilises an Early Warning System (EWS) powered by machine learning based collection scorecards. This system helps in the early identification of stress signals in borrower accounts, allowing for timely intervention and more proactive credit risk management.

### Key Risk Indicators and Risk Appetite Statement

A clear Risk Appetite Statement (RAS) and a system of Key Risk Indicators (KRI) enable continuous monitoring of risk exposures across the organisation. Any deviations from established thresholds trigger prompt corrective actions to ensure alignment with the Company's defined risk tolerance and to maintain operational resilience.

Risks	Impact	Mitigation measures
Credit Risk	 The Company is exposed to the risk of borrower or counterparty defaults, which may affect loan recoveries and the timely fulfilment of financial obligations.	The Company manages credit risk through an in-house sourcing and credit decision-making framework supported by analytical scorecards. Regular portfolio monitoring and a collections framework enable proactive oversight of credit quality and concentration risks at both individual account and portfolio levels.
Liquidity Risk and Interest Rate Risk	 As a retail-focused lender, the Company's performance is closely linked to the availability and the cost of capital. Changes in macroeconomic factors, such as inflation, economic growth, central bank policies, regulatory measures and global developments can raise borrowing costs. This may affect lending rates and overall profit margins.	To manage liquidity risk, the Company has put in place a comprehensive Asset-Liability Management (ALM) policy. This policy helps identify possible short-term liquidity gaps and enables timely corrective actions. The Company maintains a diversified lender base comprising both public and private sector banks, NBFCs and mutual funds. Liquidity buffers and critical ratios are monitored on a regular basis to ensure adequate funding and financial stability.
Compliance and Regulatory Risk	 Alterations in regulations or non-compliance with applicable laws may adversely affect the Company's operations, reputation and financial performance.	The Company's Compliance function actively monitors regulatory developments and ensures adherence through a strong risk-based compliance framework. This is backed by an integrated Compliance Management system.
Operational Risk	 Operational disruptions can happen due to problems in internal processes, failures in technology, cybersecurity breaches, employee fraud, or other related events.	The Company handles operational risks like process gaps, technology failures, cybersecurity threats and employee fraud. It does this through a strong risk-based internal audit system, clear standard operating procedures, regular staff training, scheduled branch audits, organised fraud investigations, ongoing monitoring of key risk indicators and thorough third-party risk management practices.

Risks	Impact	Mitigation measures
<b>Information Technology Risk</b> 	This risk stems from problems or failures in IT systems that can impact data availability, accuracy and security. Cybersecurity risks include hacking, phishing and ransomware. These threats can disrupt operations or expose sensitive information about the Company and its customers.	The Company has clear IT policies that follow regulatory guidelines. It has strong access controls and log monitoring systems to protect servers and prevent cyber threats. There are also strict measures to ensure customer data privacy. An IT Strategy and Steering Committee oversees the IT governance practices.
<b>Conduct and Reputation Risk</b> 	Unethical conduct, non-compliance with regulations, misleading communications or failure to meet stakeholder expectations could damage the Company's reputation and erode stakeholder trust.	The Company promotes a culture of ethical conduct through regular training programmes and clearly defined policies. A strong customer grievance redressal mechanism and transparent stakeholder communication help address concerns promptly. Dedicated teams are in place to manage and mitigate reputational risks effectively.

## Outlook

### Human Resource

The Company believes that its people are its greatest strength. It remains resolute on its commitment to provide a supportive and inclusive work environment that encourages learning, collaboration and professional growth. By nurturing a culture of mutual respect, the Company ensures that its workforce remains motivated and contributes meaningfully towards the achievement of organisational objectives.

### Internal Control Systems

The Company's system of internal controls aims to provide a high level of assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguards for assets, the reliability of financial controls, and compliance with applicable laws and regulations. An internal control framework, including internal financial controls with clear delegation of authority and standard operating procedures, is available across all businesses and functions. There is clear segregation of duties among different functions. To protect assets from losses caused by unauthorized use or disposal, the Company has implemented effective systems to ensure assets and transactions are authorized, recorded, and reported. Key operational processes (finance and operations) are centralized at the head office for better oversight. The Company has established a strong IT security system to safeguard information. By deploying robust Loan Management Systems, it has further enhanced its system controls. All policies are reviewed and approved by the board periodically.

Pursuant to the RBI's Guidelines on Risk-Based Internal Audit (RBIA) System for select NBFCs and UCBs dated February 03, 2021 – every NBFC with asset size of ₹ 5,000 crore and above is required to have an in-house internal audit function. Accordingly, the Company has appointed a Chief Audit Officer (CAO) and has formulated a Risk based Internal Audit framework covering branches and HO processes which is commensurate with the size and nature of its business. This risk-centric approach allows Strategic Alignment, Proactive Risk Management, Optimized Resource Allocation and Enhanced Stakeholder Confidence.

The CAO reports to the Audit Committee of the Board of Directors of the Company. The CAO conducts comprehensive audits of functional areas and operations of the Company to examine the adequacy of and compliance with policies, plans and statutory requirements. Any significant observations from the audit are reported to the Audit Committee and follow-up actions are taken accordingly. The Audit Committee also reviews the adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations.

### Cautionary Statement

Certain statements in this Report may be forward-looking and are stated as may be required by applicable laws and regulations. Actual results may vary from those expressed or implied, depending upon economic conditions, Government policies and other incidental/related factors.

# Business Responsibility & Sustainability Report

## SECTION A: GENERAL DISCLOSURES

### I. Details of listed entity

1.	Corporate Identity Number (CIN) of the Company	U65923TN2015PLC100328
2.	Name of the Company	Veritas Finance Limited (Formerly known as Veritas Finance Private Limited)
3.	Year of Incorporation	April 30,2015
4.	Registered Office Address	SKCL Central Square 1, South and North Wing, 7 <sup>th</sup> Floor unit
5.	Corporate Address	#C28-C35, CIPET Road, Thiru Vi Ka Industrial Estate, Guindy, Chennai – 600 032
6.	Email Address	<a href="mailto:corporate@veritasfin.in">corporate@veritasfin.in</a>
7.	Telephone	+91 44 46150011
8.	Website	<a href="http://www.veritasfin.in">www.veritasfin.in</a>
9.	Financial Year Reported	FY'2025-26
10.	Name of the Stock Exchanges where shares are listed	The Company's privately placed Non – Convertible Debentures (NCDs) are listed on the Debt segment of BSE Limited (BSE) and the National Stock Exchange of India (NSE).  The Company's Equity shares are currently unlisted.
11.	Paid-up Capital	INR 131.28 crores
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	V. Aruna Company Secretary and Compliance Officer 044-46150029
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The disclosures under this report are made on a standalone basis, covering all the operations in India. The Company does not have any Subsidiaries.
14.	Name of assurance provider	NA
15.	Type of assurance obtained	NA

### II. Products/Services

#### 16. Details of business activities (accounting for 90% of the turnover)

Sl. No.	Description of Main Activity	Description of Business Activity	% of turnover of the Company
1	Financial and insurance Service and other Financial activities	Veritas Finance limited focuses on providing financial services to India's underserved micro, small and medium enterprises (MSMEs). <ul style="list-style-type: none"> <li>• <b>Secured Medium-term Loans:</b> Financial inclusion, micro business, and small business loans.</li> <li>• <b>Unsecured Short-term Loans:</b> Working capital loans</li> <li>• <b>Secured Medium – term Loans:</b> Used commercial vehicle loans</li> <li>• <b>Secured Long-term Loans:</b> Home Loans and Loans against property</li> </ul>	100%

#### 17. Products/Services sold by the Company (accounting for 90% of the turnover)

Sl. No.	Product/Service	NIC Code	% of total turnover contributed
1	Non – Banking Finance Company engaged in lending and allied activities	65923	100%

### III. Operations

#### 18. Number of locations where plants and/or operations/offices of the Company are situated:

Location	Number of plants	Number of offices	Total
National	0	511	511
International	0	0	0

#### 19. Markets served by the Company

##### a. Number of locations

Locations	Number
National (No. of States)	11
International (No. of Countries)	0

##### b. What is the contribution of exports as a percentage of the total turnover of the Company?

Not Applicable, the Company is a domestic entity with 100% of its operations within India.

##### c. Types of customers

The Company is a Non-Banking Financial Company (NBFC) offering customized credit solutions to Micro, Small, and Medium Enterprises (MSMEs) across rural and semi-urban India. It provides business loans for working capital requirements, business expansion, housing finance, and vehicle financing.

The company offers both secured and unsecured lending solutions; its customers segments include:

**Micro-Entrepreneurs:** Self-employed individuals running small retail operations.

**Small Business Owners:** Family-managed manufacturing or service units.

**Informal Earners:** Traders dealing strictly in cash-and-carry businesses.

**Affordable Housing Buyers:** Low-income families seeking first-time home ownership.

The focus of the Company is to target micro entrepreneurs, small businesses and self-employed individual who are largely excluded from the formal lending ecosystem. These services are designed to support their business and personal financial needs.

### IV. Employees

#### 20. Details as at the end of Financial Year

##### a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	8329	8113	97.41%	216	3%
2.	Other than Permanent (E)	0	0	0%	0	0%
3.	<b>Total employees (D + E)</b>	<b>8329</b>	<b>8113</b>	<b>97.41%</b>	<b>216</b>	<b>3%</b>
<b>WORKERS</b>						
4.	Permanent (F)	0	0	0%	0	0%
5.	Other than Permanent (G)	15	11	73%	4	27%
6.	<b>Total workers (F + G)</b>	<b>15</b>	<b>11</b>	<b>73%</b>	<b>4</b>	<b>27%</b>

##### b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	1	1	100%	0	0%
2.	Other than Permanent (E)	0	0	0%	0	0%
3.	<b>Total employees (D + E)</b>	<b>1</b>	<b>1</b>	<b>100%</b>	<b>0</b>	<b>0%</b>
<b>WORKERS</b>						
4.	Permanent (F)	0	0	0%	0	0%
5.	Other than Permanent (G)	0	0	0%	0	0%
6.	<b>Total workers (F + G)</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

## 21. Participation/Inclusion/Representation of Women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	9	2	22%
Key Management Personnel	3	1	33%

## 22. Turnover rate for permanent employees and workers (disclose trends for the past 3 years)

	FY'2025-26			FY'2024-25			FY'2023-24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	61.07%	1.00%	62.07%	64%	1%	65%	58%	1%	59%
Permanent Workers	NA								

## V. Holding, Subsidiary and Associate Companies (including joint ventures)

## 23. Name of holding/subsidiary/associate companies/joint ventures

Sl. No.	Name of the holding/subsidiary/associate companies/joint ventures (A)	Indicate whether Holding/Subsidiary/Associate/Joint Venture	% of shares held by the Company	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the Company (Yes/No)
Nil				

## VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of the Companies Act, 2013: Yes  
(ii) Turnover (in Rs.): 1848.60 crores  
(iii) Net worth (in Rs.): 3126.88 Crores

## VII. Transparency and Disclosure Compliances

## 25. Complaints/Grievances on any of the principles (Principle 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom compliant is received	Grievance Redressal Mechanism in place (Yes/No) (If yes, then provide web link for grievance redressal policy)	FY'2025-26			FY'2024-25		
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
Communities	Yes	0	0	-	0	0	-
Investors (other than shareholders)	Yes	0	0	one complaint was received from a customer on the SCORES portal in relation to loan sanction process impugning the sanction, and the Company has duly submitted the Action Taken Report (ATR) along with necessary supporting documents within the prescribed due date and the Statement of Investor Complaints filed, in this regard.	0	0	-

Stakeholder group from whom compliant is received	Grievance Redressal Mechanism in place (Yes/No) (If yes, then provide web link for grievance redressal policy)	FY'2025-26			FY'2024-25		
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
Shareholders	Yes	0	0	-	0	0	-
Employees and workers	Yes	0	0	-	0	0	-
Customers	Yes	321	148*	-	183	82*	-
Value Chain	Yes	0	0	-	0	0	-
Partners							
Others				Not applicable			

\*Including legal cases filed against company by customers

26. Overview of the Company's material responsible business conduct and sustainability issues pertaining to environment and social matters that present a risk or an opportunity to the business of the Company, rationale for identifying the same approach to adapt or mitigate the risk along with its financial implications, as per the following format:

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Customer Satisfaction	Risk and Opportunity	<p>The Company serves vulnerable, underserved, and unorganised MSME borrowers lacking formal documents. Good customer service leads to higher customer lifetime value.</p> <p>The Company is subject to strict regulatory oversight by the RBI regarding fair practices, transparent pricing, and consumer education. Hence, there is a risk of regulatory fines for any issues from customer satisfaction.</p>	<p>Veritas utilizes a hybrid phygital approach. Loan officers personally visit customer premises for income assessment. This face-to-face interaction creates a smoother onboarding experience for rural and semi-urban borrowers.</p> <p>The Company has dedicated grievance channels for any customer care queries and resolves them within the given SLA period.</p>	Positive and Negative

SI. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2	Fair and Transparent Lending Practices	<p><b>Risk</b> Regulatory non-compliance penalties from the Reserve Bank of India (RBI), hidden-cost disputes, litigation.</p> <p><b>Opportunity</b> Enhanced customer retention, strong brand positioning as an ethical lender</p>	<p>The Company caters specifically to the informal, self-employed, and unserved MSME segment in semi-urban and rural areas. These micro-borrowers are often unfamiliar with complex legal documentation and financial terminology. Maintaining absolute clarity on loan terms, interest rates, processing fees, and penal conditions is paramount to protecting this vulnerable group and maintaining the company's core values of "Ethical Dealings" and "Upholding Truth".</p>	<p>The Company fully integrates a board-reviewed Veritas Fair Practices Code (FPC) and Business Responsibility and Sustainability Policy into standard daily field operations. The Company issues comprehensive, bilingual Sanction Letters that clearly state the annualized interest rate, exact processing fees, insurance premiums, and repayment schedules upfront. The Company enforces a standardized Consumer Education initiative across all 500+ physical branches where front-line officers explain asset classification, due dates, and NPA norms to borrowers prior to loan signing. The Company educates borrowers clearly on asset recovery clauses by explicitly embedding legally sound protocols directly into the loan agreements.</p>	Negative

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Human Rights	<p>Risk</p> <p>Severe reputational damage, statutory legal penalties under labor laws, loss of institutional funding from ESG-aligned international lenders.</p> <p>Opportunity</p> <p>Strengthened employee morale, reduced workforce turnover, and elevated corporate standing as a preferred employer in semi-urban and rural markets</p>	<p>The Company operates in high-touch environments involving direct public engagement. Human rights risks can manifest through workplace discrimination, safety violations, unfair working hours for branch staff, or non-coercive collection practices on the field.</p>	<p>The Company has in place a Prevention of Sexual Harassment (POSH) framework alongside an active Internal Complaints Committee (ICC) to handle workplace safety and discrimination grievances.</p> <p>The Company has in place non-discriminatory hiring and compensation models that strictly prohibit child, forced, or compulsory labor anywhere in the company's operations.</p> <p>The Company has an explicit code-of-conduct guidelines for collection teams that ban any form of harassment, intimidation, or human rights violations against borrowers during the loan recovery process.</p> <p>The Company provides human rights and ethical behavior training during onboarding for all field agents, customer-relationship officers, and branch managers</p>	Negative

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4	Grievance Redressal	<p>Risk</p> <p>Regulatory sanctions, escalation of complaints, drop in customer retention</p> <p>Opportunity</p> <p>Real-time operational feedback loop to fix service bottlenecks, enhanced customer loyalty.</p>	<p>Borrowers often face technical or operational hurdles regarding loan disbursement, repayment tracking, or insurance claims.</p> <p>An unresponsive complaint resolution process directly harms trust.</p>	<p>The Company has established a transparent, multi-tiered escalation matrix seamlessly integrated into daily branch operations as mandated by the Veritas Fair Practices Code.</p> <p>The Company provides customers, employees with diverse, accessible channels to lodge complaints, including physical branch drop-boxes, dedicated toll-free customer care helplines, email support, and an online grievance portal.</p> <p>The Company has implemented an internal CRM ticketing system to log, track, and systematically resolve customer issues within the standard turn around time window before customers can escalate to higher authorities.</p>	Negative

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Stakeholder Engagement	<p>Risk</p> <p>Loss of investor confidence, and regulatory non-compliance due to unaddressed stakeholder concerns</p> <p>Opportunity</p> <p>Enhanced corporate reputation, co-creation of tailored financial products, high investor retention, and long-term socio-economic value creation within operating regions</p>	<p>The Company operates within a complex ecosystem comprising diverse stakeholder groups—including rural and semi-urban MSME borrowers, field and corporate employees, equity and debt investors, local communities, and regulatory bodies (RBI/SEBI). Systematic engagement ensures that the company actively identifies emerging ESG expectations, remains responsive to market demands</p>	<p>The Company has established multi-channel engagement mechanisms tailored to each group:</p> <ul style="list-style-type: none"> <li>• Customers: regular field visits, localized feedback meets, and structured multi-lingual surveys.</li> <li>• Employees: Maintaining communication channels, town halls, periodic performance reviews, and health/wellness feedback systems.</li> <li>• Investors/ Lenders: Publishing comprehensive annual financial and ESG reports, and participate in meets.</li> <li>• Communities: Has a dedicated Corporate Social Responsibility (CSR) arm, namely Veritas Foundation, that runs initiatives focused on skill development, education, healthcare, and community infrastructure.</li> </ul> <p>The Company also focuses in incorporating feedback from these engagement channels directly into strategic business planning and product design.</p>	Negative

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6	Data Security & Privacy	<p>Risk</p> <p>Regulatory penalties from the Digital Personal Data Protection Act, operational disruption, litigation, and permanent loss of customer trust</p> <p>Opportunity</p> <p>Market differentiation as a digitally secure institutional lender, faster integration with premium fintech ecosystems, and elevated credit rating scores due to superior operational risk mitigation</p>	<p>Veritas Finance leverages a highly digitalized workflow (“phygital” model) to process extensive personal identity proofs, bank statements, asset documents, and credit profiles of rural and semi-urban MSME borrowers. This extensive repository of Personally Identifiable Information (PII) and sensitive financial data. Protecting this data is legally mandated, critical, and central to preserving business continuity</p>	<p>The Company has aligned IT infrastructure with the strict guidelines of the RBI Cyber Security Framework and enforce data management policies</p> <p>The Company has key department leads for Incident Response Plan to handle data anomalies, system vulnerabilities, and unauthorized access attempts in real time.</p> <p>The Company has routine checks on data security across all mobile lending applications, and internal CRM systems.</p>	Negative

The Company has conducted a materiality assessment with internal stakeholders to assess and identify the importance of ESG topics and align these towards its long-term strategy. Based on the findings of the ESG materiality assessment, it is found that these 6 topics (listed in the table above) are found to be of high importance to stakeholders and high business relevance. The Company will evaluate ESG initiatives based on these topics in the coming year.

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>									
1. a. Whether the Company's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
c. Weblink of the policies, if available	Code of conduct Corporate Governance Policy CSR policy Divided Distribution Policy Equal opportunity Policy Interest rate policy KYC policy Prevention of sexual harassment Related Party transactions policy Statutory Audit Policy Appointment, remuneration and evaluation policy Preservation & document policy Ethics and Code of Conduct policy Whistle Blower policy Anti- bribery & Anti-Corruption Policy Fraud Risk Management Prevention policy COC for fair disclosure of UPSI and insider trading Policy for succession planning of Board and Senior Management Policy on Business Responsibility and Sustainability Reporting Policies can be accessed on the company portal: <a href="https://www.veritasfin.in/">https://www.veritasfin.in/</a>								
2. Whether the Company has translated the policy into procedures. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to the Company's value chain partners? (Yes/ No)	Veritas promotes ethical dealings, transparent practices across its Value chain partners. All the policies are extended to the Company's value chain partners, with particular emphasis on compliance with the code of conduct, anti-bribery and anti-corruption measures, conflict of interest guidelines, fair business practices and the prevention of Sexual Harassment (POSH) policy.								
4. Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by the Company and mapped to each principle.	The certification received by the company are <ul style="list-style-type: none"> <li>• ISO/IEC 27001:2022- is the global standard for managing information security. It provides a framework to build, run, and constantly improve an Information Security Management System. The Company has certification for the departments of IS, IT, Admin, HR, and Compliance.</li> <li>• ISO 9001:2015- Quality Management System. The Company is certified for HR Support activities spanning recruitment till employee exit inclusive of employee engagement, benefits and compliance.</li> <li>• ISO 30408:2016-Human resource Management Guidelines on Human Governance.</li> <li>• ISO 18404 : 2015 for the Operation &amp; CRM Department.</li> <li>• The Company has been recognized as a Great Place to Work Certified organization and has also been named among India's Best Workplaces in BFSI for 2026.</li> </ul>								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>									
5. Specific commitments, goals and targets set by the Company with defined timelines, if any.	The Company is committed to advancing financial inclusion by addressing the evolving needs to underserved segments., The Company's operations have a significant impact on society. The Company intends to establish ESG and impact-related goals and targets in the coming year. As an initial step, it has identified its key material topics and will prioritize the development of goals and action plans based on these material areas. The Company actively contributes to community development through its CSR initiatives. Through Veritas Foundation, the company seeks to collaborate with credible NGOs to promote education and enhance employment opportunities across both BFSI and non BFSI sectors.								
6. Performance of the Company against the specific commitments, goals and targets along with reasons, in case the same are not met.	<p>The Company has initiated the measurement of its greenhouse gas emissions, covering Scope 1, Scope 2, and selected categories under Scope 3. During the financial year, the number of Scope 3 categories assessed was expanded to enhance the comprehensiveness of the emissions inventory.</p> <p>Digital processes continue to be implemented across operations to improve efficiency and reduce paper consumption.</p> <p>An Environmental and Social Management Plan (ESMP), aligned with the International Finance Corporation (IFC) Performance Standards, has been adopted and is being implemented.</p> <p>As the Company is currently in the process of establishing its ESG goals and targets, performance against such targets has not yet been measured or reported.</p>								
<b>Governance, leadership and oversight</b>									
7. <b>Statement by Director, responsible for the Business Responsibility Report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)</b>	<p>Veritas Finance remains committed to advancing financial inclusion for underserved segments while creating sustainable value for society through responsible business practices. Sustainability is embedded in our long-term strategy, with a focus on integrating environmental, social and governance (ESG) considerations across our operations.</p> <p>During the year, we identified our key material ESG topics to serve as the foundation for future goals and impact targets. To strengthen our ESG framework and benchmark our practices against leading organizations in India, we appointed a Big Four consulting firm to provide strategic advisory support for our ESG journey.</p> <p>We also undertook a comprehensive review of our ESG-related policies and standard operating procedures (SOPs) to enhance their integration into day-to-day operations. Our greenhouse gas (GHG) emissions measurement was expanded to include additional Scope 3 categories, enabling a more comprehensive assessment of our environmental footprint. As part of our digital transformation initiatives, workflows have been redesigned to reduce paper consumption and progressively achieve end-to-end digital processes across our branch network.</p> <p>The Company continues to disclose key environmental performance indicators, including greenhouse gas (GHG) emissions, energy consumption, water usage and waste management, demonstrating our commitment to transparency and accountability.</p> <p>Through the Veritas Foundation and strategic partnerships with non-governmental organizations (NGOs), we continue to expand our community development initiatives, with a focus on education, skill development and livelihood enhancement to deliver measurable social impact.</p> <p>Looking ahead, we will continue to strengthen our ESG framework by establishing measurable goals and targets, enhancing employee awareness through training programmes, and implementing initiatives that create long-term value for all stakeholders. Progress against these commitments will be monitored and reported on an annual basis.</p>								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	Mr. Arulmany, Managing Director and CEO (DIN:00009981), is the highest authority responsible for implementation and oversight of the Business Responsibility Policy(ies).								
9. Does the Company have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Mr. Arulmany, Managing Director and CEO (DIN:00009981), is the highest authority responsible for decision making in relation to sustainability related focus areas, goals and other issues. Sustainability planning and related initiatives are undertaken through a collaborative approach involving department heads across various functions. While there is currently no dedicated committee overseeing sustainability matters, the Strategy team works closely with functional leaders and the Board of Directors to evaluate, develop and implement sustainability-related initiatives and strategic decisions.								

**10. Details of review of NGRBCs by the Company:**

Subject for review	Indicate whether review was undertaken by Director/Committee of the Board/any other Committee									Frequency (Annually/Half yearly/Quarterly/Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Performance against above policies and follow up action					Yes									Annually			
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company complies with all applicable regulations and has constituted various Board – level Committees that meet periodically to review and monitor key objectives.																	

	P1	P2	P3	P4	P5	P6	P7	P8	P9	
11. Has the entity carried out independent assessment / evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.										Currently, the Company does not have any external agencies to carry out independent assessment or evaluation of the working of the above-mentioned policies. The Internal Audit team and the Compliance team evaluates the working and ensures compliance of the above-mentioned policies as part of their scope respectively.

**12. If answer to question (1) above is 'No' i.e. not all Principles are covered by a Policy, reasons to be stated:**

	P1	P2	P3	P4	P5	P6	P7	P8	P9	
The entity does not consider the Principle material to its business (Yes/No)										As the Company is currently in the process of assessing material ESG issues and risks, engaging a third-party assessment is not considered relevant at this stage.
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)										
The entity does not have the financial or/human and technical resources available for the task (Yes/No)										
It is planned to be done in the next financial year (Yes/No)										
Any other reason (please specify)										

## Section C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

1

Principle

**Businesses should conduct and govern themselves with integrity and in a manner that is Ethical, Transparent and Accountable.**

## Essential Indicators

## 1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	5	Principle 1,2, 6 and 8: Familiarization programmes for Directors are conducted periodically to enhance their understanding of key areas such as governance and regulatory requirements, risk management, industry outlook, code of conduct, and conflict of interest.	100%
Key Managerial Personnel	5	Principle 1,2,3,5,6 and 8 The Management team actively participates in these meetings, during which the Board is comprehensively briefed on the Company's business model, underwriting practices, and other key operational aspects. Additionally, periodic meetings are conducted with the Core Strategy Group of the Company, as well as during the induction of new Senior Management Personnel (SMP). These sessions cover detailed discussions and training on the Company's business model, strategic initiatives, risk management framework, new projects and processes, and relevant regulatory updates.	100%
Employees other than Board of Directors and KMPs	73	The Company conducts regular training programmes for employees, other than the Board of Directors and Key Managerial Personnel, covering regulatory compliance (including KYC and AML/CFT), credit and underwriting processes, risk management, operational procedures, and information security. Additionally, trainings on customer service, code of conduct, POSH, product knowledge, and internal audit and compliance are conducted to ensure a competent and compliant workforce.	68%
Workers	NA	NA	NA

## 2. Details of fines /penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by Directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year:

	Monetary				
	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine					
Settlement			Nil		
Compounding fee					

	Non-Monetary			
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment Punishment		Nil		

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
	NA

4. Does the Company have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a weblink to the policy

Yes, the Company has an Anti-corruption and Anti Bribery policy. The Company is committed to acting professionally, fairly, and with integrity in all business dealings and relationships. The Policy shall apply to employees including Directors, officers, shareholders of the Company and all appointed third-party representatives of Company such as agents, consultants, others working on behalf of the Company irrespective of their location, function or grade. Receiving or agreeing to receive anything of value that causes or would cause to breach the duties at Veritas is also prohibited.

Veritas Finance strictly prohibits all forms of bribery, corruption, and unauthorized facilitation payments, including the use of third parties or unvetted vendors. Employees must consult the Chief Compliance Officer before making any facilitation payments.

The policy is publicly accessible on the Company's website, the weblink is: <https://www.veritasfin.in/Anti-Bribery-Anti-Corruption-Policy.php>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY'2025-26	FY'2024-25
Directors KMPs Employees Workers	No disciplinary action has been taken by any law enforcement agency against any employees, directors, or workers during the last two financial years.	

6. Details of complaints with regard to conflict of interest

Particulars	FY'2025-26		FY'2024-25	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors Number of complaints received in relation to issues of Conflict of Interest of the KMPs	No complaints relating to conflicts of interest were received during the last two financial years.			

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflict of interest.

Not applicable

8. Number of days of accounts payables ((Accounts payable \*365) / Cost of goods/services procured) in the following format:

	FY'2025-26 (Current Financial Year)	FY'2024-25 (Previous Financial Year)
Number of days of accounts payables	NA*	NA*
ii) Cost of goods/services procured	NA*	NA*
iii) Number of days of accounts payables	NA*	NA*

\*Considering the nature of the entity's business, cost of goods sold or services procured is minimal. However, the Company will review its applicability in the next financial year.

9. Open-ness of business Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2025-26	FY 2024-25
Concentration of Purchases	Purchases from trading houses as % of total purchases	NA	NA
	Number of trading houses where purchases are made from	NA	NA
	Sales to top 10 dealers / distributors as % of total sales to dealer / distributors	NA	NA
Concentration of Sales	Sales to dealer / distributors as % of total sales	NA	NA
	Number of dealers / distributors to whom sales are made	NA	NA
	Sales to top 10 dealers / distributors as % of total sales to dealer / distributors	NA	NA
Share of RPTs in	Purchases (Purchases with related parties as % of Total Purchases)	NA	NA
	Sales (Sales to related parties as % of Total Sales)	NA	NA
	Loans & advances given to related parties as % of Total loans & advances	NA	NA
	Investments in related parties as % of Total Investments made	NA	NA

## Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics/principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
---	--	--

During the financial year, the Company did not conduct specific awareness programmes for value chain partners on the Principles. However, the Company recognizes the importance of such initiatives and is in the process of evaluating suitable mechanisms to engage its value chain partners more effectively. Structured awareness programmes are planned to be introduced in the coming years to strengthen alignment with sustainability principles and enhance collaborative impact across the value chain.

2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

The Company has established a robust framework to effectively manage and mitigate conflicts of interest involving members of its Board of Directors. As part of its commitment to the highest standards of corporate governance, the Company has adopted a comprehensive policy titled "The Code of Conduct for the Members of the Board and Senior Management Personnel." Senior Management Personnel shall make disclosures to the Board relating to all material, financial and commercial transactions, where they have personal interest that may have a potential conflict with the interest of the Company at large. This Code outlines the principles and ethical standards expected of the Board and senior leadership, ensuring transparency, integrity, and accountability in all decision-making processes. It serves as a guiding document to prevent any potential conflicts and to uphold the trust of stakeholders.

All members of the Board and Senior Management have affirmed compliance with the Code of Conduct. None of the Directors have any pecuniary relationship with the Company other than the remuneration received. Additionally, no Directors are related to each other.

The Code of Conduct is publicly accessible and can be reviewed at the following link: <https://www.veritasfin.in/code-of-conduct.php>

## 2

### Principle

**Business should provide goods and services in a manner that is sustainable and safe**

### Essential Indicators

- 1 **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of products and processes to total R&D and capex investments made by the entity, respectively.**

Segment	FY'2025-26	FY'2024-25	Details of improvements in environmental and social impacts
R & D	—	—	—
Capex	NA	NA	—

In the financial services sector, companies typically undertake capital expenditure in areas such as energy efficiency initiatives, IT systems, digitization of processes, and reduction of e-waste and other waste. At Veritas, the focus is primarily on digitization and reducing paper consumption, along with regular upgradation and enhancement of IT infrastructure and software systems to improve operational efficiency, and the Company will, to the extent possible, track and report on these initiatives in the coming year.

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**
- Considering the core business operations of the Company, which are strictly financial service-oriented, the procurement of material resources is limited, and standard sustainable sourcing and product transportation procedures are not directly applicable. However, as a responsible financial institution, the Company proactively seeks to minimize its resource footprint through the transition to digital processes. The Company will review the applicability of sustainable sourcing practices to its procurement activities in the coming year.
- b. **If yes, what percentage of inputs were sourced sustainably?**
- NA
3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

(a) Plastics (including packaging)	The Company has minimum use of plastic use, in its operations. This is not applicable given the nature of operations of the Company.
(b) E-waste	Given the nature of operations, this is not applicable to the Company. The company actively promotes reuse and recycling of E-waste and collaborates with certified e – waste handlers for proper electronic waste disposal. Further, the company provides employee training on safe handling practices.
(c) Hazardous waste	Not applicable
(d) other waste.	Not applicable due to the nature of the business, other waste categories do not apply

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No).**

No. Veritas Finance Limited, being an NBFC engaged in providing financial services, does not manufacture, sell, or distribute any physical products. Accordingly, this disclosure is not applicable to the Company.

**If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Not applicable

## Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
NA					

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action Taken
NA		

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY'2025-26	FY'2024-25
NA		

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

Particulars	FY'2025-26			FY'2024-25		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	Not Applicable. As a Non-banking Financial Company (NBFC) providing financial services, Veritas Finance Limited does not manufacture any product which needs to be safely reclaimed for reusing, recycling and disposing at the end of life.					
E-waste						
Hazardous waste						
Other waste						

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Given the business operations of the Company, the same is not applicable.	

### 3

#### Principle

Business should respect and promote the wellbeing of all employees, including those in their value chains

#### Essential Indicators

##### 1. A. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities <sup>#</sup>	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent employees</b>											
Male	8113	6298	77.63%	8113	100%	0	0%	210	2.59%	0	0%
Female	216	161	74.54%	216	100%	216	100%	0	0%	1	0.46%
<b>Total</b>	<b>8329</b>	<b>6459</b>	<b>77.55%</b>	<b>8329</b>	<b>100%</b>	<b>216</b>	<b>100%</b>	<b>210</b>	<b>2.59%</b>	<b>1</b>	<b>0.46%</b>
<b>Other than Permanent employees</b>											
Male											
Female											
Total											

##### b. Details of measures for the well-being of workers:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent Workers</b>											
Male											
Female											
Total											
<b>Other than Permanent Workers</b>											
Male	11	11	100%								
Female	4	4	100%					NA			
Total	15	15	100%								

##### c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –s

	FY'2025-26	FY'2024-25
i) Cost incurred on wellbeing measures (well-being measures means well-being of employees and workers (including male, female, permanent and other than permanent employees and workers))	9,41,79,221.05	8,46,08,462.26
ii) Total revenue of the company	18,48,60,35,000.00	15,57,39,95,640.41
iii) Cost incurred on wellbeing measures as a % of total revenue of the company	0.51%	0.54%

##### 2. Details of retirement benefits, for Current and Previous Financial Year.

Benefits	FY'2025-26			FY'2024-25		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	NA	100%	100%	Yes
Gratuity	100%	100%	NA	100%	100%	Yes
ESI	23%	100%	NA	100%	100%	Yes
Others- please specify	NA	NA	NA	NA	NA	NA

3. **Accessibility of workplaces** Are the premises/offices of the Company accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the Company in this regard.

The Company's premises are designed with inclusivity in mind, ensuring accessibility for all employees, including persons with disabilities. Most locations have elevators and ramps to enable ease of access across locations. The Head Office is equipped with restrooms that are accessible to persons with disabilities (PWD).

The Company operates most of its branch offices from rental premises. While the nature of such premises may limit the extent of structural modifications, the Company endeavours to select office locations that are reasonably accessible and convenient for persons with disabilities, wherever feasible. The Company remains committed to promoting an inclusive and accessible work environment and continues to take appropriate measures to enhance accessibility across its offices in accordance with applicable statutory requirements.

4. **Does the Company have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web link to the policy.**

Yes, the Company has an Equal Opportunity Policy in accordance with the requirements of the Rights of Persons with Disabilities Act, 2016. The policy ensures that all employees, including persons with disabilities, are provided with fair and equal opportunities across all aspects of employment. It covers key areas such as recruitment, promotions, training, and employee benefits, and reinforces the Company's commitment to fostering an inclusive, non-discriminatory, and respectful work environment.

Weblink : <https://www.veritasfin.in/Equal-Opportunity-Policy.php>

5. **Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention Rate	Return to work rate	Retention Rate
Male	100%	100%	NA	NA
Female	100%	50%	NA	NA
Total	100%	98%	NA	NA

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent workers	NA
Other than permanent workers	NA
Permanent employees	<p>Yes, the Company has established a structured grievance redressal mechanism for all categories of employees and workers.</p> <p>The Company has constituted an Employee Grievance Redressal Committee (“Dost”) with the objective of maintaining a positive and harmonious work environment. The Committee provides a formal platform to address and resolve employee grievances in a fair, transparent, and timely manner. Employees may submit their grievances either in writing or via email at <a href="mailto:dost@veritasfin.in">dost@veritasfin.in</a></p> <p>In addition, the Company has constituted separate Internal Committees under the Prevention of Sexual Harassment (POSH) framework and a Whistleblower mechanism to address specific concerns relating to workplace harassment and ethical misconduct.</p> <p>These mechanisms ensure that all grievances are reviewed with due diligence and resolved in accordance with the Company’s policies, while maintaining confidentiality and safeguarding employees against any form of retaliation.</p> <p><b>Konnect with Head HR</b></p> <p>As part of its commitment to fostering an open, inclusive, and employee-centric workplace, Veritas Finance Limited introduced the “Konnect with Head HR” initiative in June 2025. The initiative was launched to provide employees across locations with direct access to the Head of Human Resources through a dedicated communication channel, particularly in locations where dedicated Regional HR support may not be available.</p> <p>Conducted on the first and third Saturday of every month, the initiative provides employees with a confidential platform to discuss HR-related concerns and seek guidance on matters such as workplace discrimination, harassment, workplace violence, grievances, policy clarifications, ethical concerns, and other employment-related issues.</p> <p>The initiative has been well received by employees and has enhanced accessibility to HR leadership. Most concerns are addressed through immediate guidance and clarification, while matters requiring further review are escalated to the appropriate stakeholders for resolution. Feedback is subsequently provided to employees to ensure effective closure.</p> <p>Through this initiative, the Company has strengthened employee engagement, reinforced trust in its people practices, and furthered its commitment to maintaining a transparent, fair, and supportive work environment.</p>
Other than permanent employees	NA

7. Membership of employees and workers in association(s) or Unions recognised by the listed entity:

Category	FY'2025-26			FY'2024-25		
	Total employees/workers in respective category (A)	No. of employees /workers in respective category, who are part of association(s) or Union (B)	%(B/A)	Total employees/workers in respective category (C)	No. of employees /workers in respective category, who are part of association(s) or Union (D)	%(D/C)
<b>Total Permanent Employees</b>	The Company does not have any employee trade unions and is not a party to any collective bargaining agreements. However, the Company respects and upholds the lawful right of all employees and workers to freedom of association, in accordance with applicable laws.					
- Male						
- Female						
<b>Total Permanent Workers</b>						
- Male						
- Female						

## 8. Details of training given to employees and workers:

Category	FY'2025-26					FY'2024-25				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Male	8,113	5,470	67%	3,825	47%	7,587	3,534	47%	4,766	63%
Female	216	59	27%	148	68%	209	98	47%	38	18%
<b>Total</b>	<b>8,329</b>	<b>5,529</b>	<b>66%</b>	<b>3,973</b>	<b>47%</b>	<b>7,796</b>	<b>3,632</b>	<b>47%</b>	<b>4,804</b>	<b>62%</b>
<b>Workers</b>										
Male										
Female	NA					NA				
<b>Total</b>										

## 9. Details of performance and career development reviews of employees and workers:

Category	FY'2025-26			FY'2024-25		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	8,113	3,723	45.89%	7,587	5,649	74.46%
Female	216	15	6.94%	209	177	84.69%
<b>Total</b>	<b>8,329</b>	<b>3,738</b>	<b>44.88%</b>	<b>7,796</b>	<b>5,826</b>	<b>74.73%</b>
<b>Workers</b>						
Male						
Female	NA			NA		
<b>Total</b>						

## 10. Health and Safety Management System:

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

As a financial services entity, the Company operates with minimal occupational risks. It prioritizes employee well-being by offering various healthcare services and conducting regular wellness workshops. The Company's commitment to safety across its offices is demonstrated through regular fire safety training and evacuation drills.

The Company places significant emphasis on road safety and employee well-being. A road safety pledge is incorporated into the daily pledge of frontline employees to reinforce safe driving practices and foster a culture of safety. Road safety awareness training is provided to new frontline employees as part of the induction process, and helmets are distributed to frontline officers as essential safety gear. The Company also undertakes periodic monitoring and review of safety equipment and related practices to ensure their effectiveness and promote adherence to established safety standards across its operations.

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

As a responsible organization, the Company prioritizes maintaining a safe and healthy work environment for all employees. It adheres to applicable safety regulations and undertakes periodic risk assessments to identify and mitigate potential workplace hazards.

The Company follows a preventive approach to workplace safety, supported by regular inspections, safety reviews, and awareness initiatives. It is also committed to promoting employee well-being through healthcare support, wellness initiatives, and programs aimed at enhancing both physical and mental health, thereby enabling employees to work in a safe and supportive environment.

- c. Whether you have processes for workers to report work related hazards and to remove themselves from such risks. (Y/N)

Yes

- d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes. The Company provides Group Medclaim Insurance: Coverage for hospitalization, critical illnesses, and major non-occupational medical treatments for employees, Comprehensive group personal accident policies providing financial coverage outside of work hours.

**11. Details of safety related incidents, in the following format:**

Safety Incident /Number	Category	FY'2025-26	FY'2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	1	1
	Workers	0	0
No. of fatalities	Employees	1	1
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

Primary causes for fatalities attributed to road traffic accidents involving field staff on two-wheelers. The Company, which operates extensively across rural and semi-urban areas, addresses these risks through safety awareness, insurance coverage, and support for families of the deceased.

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace.**

The Company prioritizes maintaining a secure and health-conscious environment for its workforce. The premises are equipped with essential safety and comfort infrastructure, including air conditioning, fire extinguishers, smoke detectors, and access to safe drinking water.

To strengthen emergency preparedness, the Company conducts annual mock fire drills to familiarize employees with evacuation procedures and ensure readiness in case of emergencies.

In addition, the Company places emphasis on employee health awareness and capacity building. During the financial year, a First Aid and Basic Life Support workshop was conducted at the Head Office by a registered third-party provider to enhance employees' ability to respond to medical emergencies.

The Company provides dedicated cab services for women employees working beyond regular hours and offers last-mile shuttle support, wherever applicable, facilitating safe and secure commuting. These measures collectively contribute to maintaining a safe, well-prepared, and productive workplace environment.

**13. Number of Complaints on the following made by employees and workers:**

	FY'2025-26			FY'2024-25		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working Conditions		Nil	NA		Nil	NA
Health & Safety			NA			NA

**14. Assessments for the year:**

	% of plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	The Company is committed to maintaining a safe, hygienic, and humane workplace environment that upholds the dignity and well-being of all employees. Offices are subject to periodic internal assessments to ensure compliance with applicable health and safety requirements, including workplace conditions, hygiene standards, and safety practices.  These reviews help in identifying improvement areas and ensuring continuous adherence to a safe and conducive working environment across all locations.
Working Conditions	

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

No significant corrective actions pertaining to the above-mentioned parameters were necessitated during the reporting period. The Company continues to monitor health and safety practices on an ongoing basis and undertakes preventive measures, wherever required, to maintain a safe and compliant working environment.

## Leadership Indicators

**1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

(A)Employees: Yes. the Company provides its employees with the Group Term Life Insurance, Personal Accident cover, Employee Death Life Insurance, Provident Fund Benefit and Gratuity Benefit.

Veritas Finance Limited remains committed to the well-being of its employees and their families. As part of this commitment, the company has introduced the Suraksha Scheme, aimed at providing financial and emotional support to the families of employees in the unfortunate event of an employee's death during the course of employment.

The Company recognize that the loss of a loved one can be a deeply traumatic experience, and during such a difficult time, it is our responsibility to stand by the affected family and help alleviate any immediate financial burdens. As a mark of our support and care, Veritas proposes to extend the following benefits to the family of the deceased employee:

- Continuation of Salary: The last drawn monthly salary of the deceased employee will be credited to the designated bank account for a period of 24 months from the date of demise.
- Medical Insurance Coverage: The existing medical insurance benefits will be extended to the employee's immediate family for a duration of 24 months.
- Educational Assistance (for up to two children): School Education: Reimbursement of actual expenses or up to Rs. 50,000 per child annually, until the completion of school education. Higher Education (College/Diploma): Reimbursement of actual expenses or up to Rs. 1,00,000 per child annually, until the completion of higher education.
- Employment Opportunity: Subject to eligibility and merit, suitable employment opportunities may be offered to the spouse or adult children of the deceased employee.
- ESOP Vesting: In the event of an employee's death, all the Employee Stock Options (granted during their employment) may be exercised by the nominee or legal heir as per the company's ESOP policy.

Worker : No

**2. Provide the measures undertaken by the entity to ensure payment of statutory dues by the value chain partners.**

The Company undertakes monthly reconciliations of accounts related to statutory payments, including legal and compliance-related fees, to ensure timely remittance by value chain partners. Vendors are regularly reminded to discharge their statutory obligations within prescribed timelines, and follow-ups are conducted in case of delays.

As an additional control measure, the Company withholds payments payable to vendors to the extent of outstanding statutory dues, where applicable. In instances of continued non-compliance despite repeated reminders, the Company suspends further transactions with the concerned vendor until all pending statutory dues are fully settled. These measures are intended to ensure adherence to statutory requirements and promote responsible compliance practices across the value chain.

**3. Provide the number of employees/workers having suffered grave consequences due to work-related injury/ill-health/fatalities (as reported in Q11 of Essential Indicators above), who are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total No. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY'2025-26	FY'2024-25	FY'2025-26	FY'2024-25
Employees	1	1	0	0
Workers	Nil	Nil	Nil	Nil

**4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

No

**5. Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Nil
Working Conditions	Nil

**6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

Not applicable

# 4

## Principle

### Business should respect the interests of and be responsive to all its stakeholders

#### Essential Indicators

**1. Describe the processes for identifying key stakeholder groups of the Company.**

The Company proactively identifies and engages with a diverse range of stakeholders to gain a comprehensive understanding of their expectations. This engagement informs the development of the Company's strategic direction across short-, medium-, and long-term horizons. Key internal and external stakeholders are identified based on their direct influence on the Company's operations.

**2. List stakeholder groups identified as key for the Company and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as vulnerable & marginalised group (Yes/ No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisements, Community Meetings, Notice Board, Website, Others)	Frequency of engagement (Annually, Half yearly, quarterly / others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	Yes, if they qualify based on specific criteria such as income, gender, etc. Additional factors like age, residential status, or employment situation may also be considered depending on the context.	Email, SMS, Conferences , direct interactions, website, customer helpline	As and when required	Terms of business; Providing awareness about the concept of NPA, Due date, FPC, KYC updates, ensuring timely and effective resolution of customer grievances and safeguarding customer data privacy and maintaining robust information security measures.
Investors/ Shareholders	No	Stock Exchange, Website disclosure, E-mails, Newspaper Publications, shareholder meetings, Notices, Annual Report, Annual General Meeting.	As and when required	Company's Performance, Growth and Expansion plans
Employees	No	Email, town hall Meetings, Notice Board, Website, Annual Review	As and when required	Organizational policies and process, compliance to code of conduct etc Performance reviews, Safe and comfortable workplace, diversity, engaging assignments, learning opportunities, career development, productivity enhancement, talent management and retention.

Stakeholder Group	Whether identified as vulnerable & marginalised group (Yes/No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisements, Community Meetings, Notice Board, Website, Others)	Frequency of engagement (Annually, Half yearly, quarterly / others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Regulators, Lenders and credit rating agencies	No	Email, one-on-one meetings, video conference, mandatory filings with regulators	As and when required	Periodic updates may include communications on findings, security upgrades or hypothecation, and covenant compliance. In addition to these, one-on-one meetings with lenders may be held—either during regular limit renewals or reviews, or in response to significant business events or external environmental factors. These meetings typically cover short- to medium-term guidance and provide performance updates discussions with regard to various regulations and amendments, inspections, approvals.
Community	No	Website, emails, SMS, Community engagement initiatives, Social Media	As and when required	Before a donation is approved by the CSR Committee, and subject to meeting the qualifying criteria under the Companies Act, 2013, the Veritas conducts site visits to assess the concerns and needs of the community— particularly in the areas of healthcare, livelihood, and education. Additionally, the Company monitors the proper utilization of funds and ensures that contributions reach the intended beneficiaries. The outcomes of these reviews and the details of the investments made are regularly reported to the CSR Committee.
Vendors/ Suppliers	No	Email, Call, One-One Meeting	As and when required	The company's operations are directly linked with the timely availability and the services that we source, which has a significant effect on how effectively we deliver our services

## Leadership Indicators

- 1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

The Company follows a well-defined governance mechanism to address stakeholder expectations through continuous engagement at multiple levels. Regular interactions are held among the Board, its committees, senior management, and relevant functional teams to deliberate on key stakeholder concerns and incorporate them into business decisions.

The Stakeholder Relationship Committee of the Board plays a central role in this framework. The Committee is responsible for formulating relevant policies, monitoring the effectiveness of grievance redressal mechanisms, and ensuring timely resolution of stakeholder concerns. The Committee also facilitates alignment of stakeholder interests with the Company's overall strategic objectives.

In addition, the Committee periodically reviews the Company's obligations towards stakeholders, including considerations related to environmental, social, and governance (ESG) aspects, thereby reinforcing a balanced and responsible approach to value creation.

- 2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Yes, the Company incorporates stakeholder feedback into its policies and processes. The Company undertakes a structured stakeholder engagement process involving both internal and external stakeholders to assess material sustainability matters from an impact and financial perspective. The outcomes of this assessment inform the prioritisation of key sustainability issues and support the development of relevant policies, governance frameworks, and business strategies. The Company also engages external consultants and subject-matter experts, as required, to strengthen its sustainability practices and ensure alignment with evolving regulatory requirements and emerging global standards.

- 3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

The company engages with vulnerable and marginalised stakeholder groups, particularly local communities, through direct interaction and need based assessments conducted as part of its CSR initiatives. These engagements help in understanding community-specific challenges and priorities.

The Insights gathered, including those from third party impact assessments where applicable, are used to design and refine CSR programmes to ensure they are relevant and responsive. Based on such feedback, the company undertakes targeted interventions in areas such as education, livelihood enhancement and community development, thereby addressing identified concerns and creating meaningful social impact.

## 5

## Principle

Business should respect and promote human rights

## Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY'2025-26			FY'2024-25		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	8,329	5,645	68%	7,796	6,092	78%
Other than Permanent	0	0	0%	0	0	0%
<b>Total Employees</b>	<b>8,329</b>	<b>5,645</b>	<b>68%</b>	<b>7,796</b>	<b>6,092</b>	<b>78%</b>
<b>Workers</b>						
Permanent		NA			NA	
Other than Permanent						
<b>Total Workers</b>						

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY'2025-26					FY'2024-25				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (A)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (B)	% (B/A)	No. (C)	% (C/A)
<b>Employees</b>										
<b>Permanent</b>										
Male	8,329	154	2%	8,175	98%	7,796	391	5%	7,405	95%
Female	8,113	152	2%	7,961	98%	7,587	385	5%	7,202	95%
Others	216	2	1%	214	99%	209	6	3%	203	97%
<b>Other than Permanent</b>										
Male										
Female			NA					NA		
Others										
<b>Workers</b>										
<b>Permanent</b>										
Male			NA					NA		
Female										
<b>Other than Permanent</b>	15	0	0%	15	100%	15	0	0	15	100%
Male	11	0	0%	11	100%	11	0	0	11	100%
Female	4	0	0%	4	100%	4	0	0	4	100%

3. Details of remuneration/salary/wages, in the following format:

- a. The details are provided below:

Category	Male		Female	
	Number	Median remuneration / salary / wages of respective category (in lakhs)	Number	Median remuneration/ salary/ wages of respective category (in lakhs)
Board of Directors (BoD)	4	36.35	1	32.60
Key Managerial Personnel	2	287.01	1	22.87
Employees other than BoD and KMP	8111	3.34	215	3.62
Workers				NA

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2025-26	FY 2024-25
Gross wages paid to females	8222086	7678145
Total wages paid to all the employees	289994724	243067071
<b>Gross wages paid to females as % of total wages</b>	<b>2.8%</b>	<b>3.2%</b>

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, the Company has established various committees such as Stakeholder Relationship Committee of the Board, Ethics and Code of Conduct Committee, Disciplinary Committee to address human rights impacts and related issues. For example, the Company maintains a zero-tolerance policy towards sexual harassment in the workplace and fully complies with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, through the constitution of Internal Complaints Committees. Additionally, a Grievance Redressal Policy is in place to address any other human rights concerns or issues.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company has established the Employee Grievance Redressal Committee (DOST) to ensure a healthy, respectful, and supportive work environment for all employees. This Committee is designed to serve as a formal platform for addressing employee concerns and grievances that may arise from time to time. The primary objective of the Committee is to facilitate the fair and timely review and resolution of grievances, thereby promoting transparency and trust within the organization. Employees are encouraged to submit their grievances to the Committee either in writing or via email at dost@veritasfin.in. The Company maintains a zero-tolerance policy and strictly prohibits all forms of exploitation, forced labour, and abuse including child labour, slavery, and physical, sexual, marital, or verbal abuse.

6. Number of Complaints on the following made by employees and workers:

The details are provided below:

	FY'2025-26			FY'2024-25		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment						
Discrimination at workplace						
Child Labour		Nil			Nil	
Forced Labour/Involuntary Labour						
Wages						
Other Human rights related issues						

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2025-26	FY 2024-25
i) Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)		
ii) Female employees / workers	Nil	Nil
iii) Complaints on POSH as a % of female employees / workers		
iv) Complaints on POSH upheld		

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company has instituted multiple committees and mechanisms—namely, the Ethics and Code of Conduct Committee, the Disciplinary Committee, and the Employee Grievance Redressal Committee (DOST) to proactively prevent and address incidents of harassment. In addition, regular awareness and training programs are conducted to educate employees on appropriate workplace behaviour and reporting procedures.

To further strengthen its commitment to a safe and respectful work environment, the Company has implemented a Whistleblower Policy and Vigil Mechanism, a Code of Conduct for Directors and Senior Management, and a comprehensive Prevention of Sexual Harassment (POSH) Policy. These formal channels enable employees to report any instances of discrimination or harassment with the assurance of confidentiality and protection.

Complainants are fully safeguarded against any form of retaliation, including but not limited to threats of termination or suspension, disciplinary action, demotion, transfer, denial of promotion, or any misuse of authority that may impede their ability to perform their duties or make further protected disclosures.

Furthermore, the Grievance Redressal Policy clearly outlines the escalation hierarchy for addressing customer complaints, ensuring that all concerns are resolved in a fair, respectful, and transparent manner.

**9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes, the company includes compliance to relevant laws (avoidance of child and force labour) as per- requisite in its agreements and contracts with vendors and other partners.

**10. Assessment for the year:**

	% of the Company's plants and offices that were assessed (by the Company or statutory authorities or third parties)
Child Labour	
Forced Labour/Involuntary Labour	
Sexual Harassment	100%
Discrimination at workplace	
Wages	
Other- please specify	Nil

**11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.**

NA

### Leadership Indicators

**1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.**

The Company believes that it consistently upholds the fundamental principles of human rights across its operations, in alignment with its Human Rights Policy. Accordingly, no significant changes to existing business processes are considered necessary at this stage.

**2. Details of the scope and coverage of any Human rights due diligence conducted.**

The Company conducts regular internal assessments to monitor if there is a negative impact on our stakeholders' human rights. The Company is planning to establish a due diligence process which will help us in checking and ensuring Compliances on aspects of human rights and regulations.

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

The Company's premises are designed with inclusivity in mind, ensuring accessibility for all employees. Elevators and ramps are integral features, providing ease of access for everyone. The Head Office is equipped with restrooms that are accessible to persons with disabilities (PWD). Branch offices, being rented facilities, are chosen, wherever possible and for their ease of accessibility to persons with disabilities.

**4. Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	The Company expects all its value chain partners to follow existing regulations with regard to health, safety and working conditions. Our BRSR policy and ESMS manual has a prohibited activities list which lays down certain activities that do not qualify for financing which include child labour, forced labour, etc
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others – please specify	

**5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

Not Applicable

# 6

## Principle

**Business should respect and make efforts to protect and restore the environment.**

### Essential Indicators

1. Details of total energy consumption (in giga joule) and energy intensity, in the following format:

Parameter	FY'2025-2026 (Current Financial Year)	FY'2024-25 (Previous Financial Year)
<b>From renewable sources</b>		
Total electricity consumption (A)	0	0
Total fuel consumption (B)	0	0
Energy consumption sources (C)	0	0
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>0</b>	<b>0</b>
<b>From non-renewable sources</b>		
Total electricity consumption (D)	9142.38	7991.51
Total fuel consumption (E)	106423.10	96717.46
Energy consumption sources (F)	0	0
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>115565.49</b>	<b>104708.97</b>
<b>Total energy consumed (A+B+C+D+E+F)</b>	<b>115565.49</b>	<b>104708.97</b>
<b>Energy intensity per rupee of turnover</b> (Total energy consumed / Revenue from operations) (GJ/ Rs. Crore)	62.52	67.23
<b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total energy consumed / Revenue from operations adjusted for PPP) (GJ/USD Crore)	1,271.56	1389.04
<b>Energy intensity in terms of physical output</b>	NA	NA
Energy intensity (optional) – the relevant metric may be selected by the entity	–	–
<b>Note:</b> Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.		No

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY'2025-2026 (Current Financial Year)	FY'2024-25 (Previous Financial Year)
<b>Water withdrawal by source (in kiloliters)</b>		
(i) Surface water	0	0
(ii) Groundwater	1,04,859.315	91,024.92
(iii) Third party water	4,660.414	4,045.55
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>1,09,519.73</b>	<b>95,070.47</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>1,09,519.729</b>	<b>95,070.47</b>
<b>Water intensity per rupee of turnover</b> (Total water consumption / Revenue from operations) (KL / ₹ Crore)	59.24	61.04
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total water consumption / Revenue from operations adjusted for PPP) (KL / USD Crore)	1,205.04	1261.18
<b>Water intensity in terms of physical output</b>	NA	NA
Water intensity (optional) – the relevant metric may be selected by the entity	–	–
<b>Note:</b> Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.		No

4. Provide the following details related to water discharged:

As a financial services institution with predominantly office-based operations, the Company does not generate industrial effluents. The Company's wastewater primarily comprises domestic sewage generated from its offices and branch locations. Given the nature of its business, water consumption is limited to administrative and employee usage. The Company remains committed to the responsible use of natural resources and continues to promote water conservation and efficient resource management across its operations.

Parameter	FY'2025-2026 (Current Financial Year)	FY'2024-25 (Previous Financial Year)
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water	Not applicable. Domestic sewage generated at the Company's premises is discharged through the municipal sewerage network.	
- No treatment		
- With treatment – please specify level of treatment		
(ii) To Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) To Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
<b>Total water discharged (in kiloliters)</b>		
<b>Note:</b> Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.		No

5. Has the Company implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Considering the nature of its operations, the Company's water consumption is limited to domestic usage such as drinking and sanitation. Accordingly, the implementation of a zero liquid discharge mechanism is not applicable. The Company, however, remains mindful of responsible water usage and undertakes measures to ensure efficient and judicious consumption across its premises.

6. Please provide details of air emissions (other than GHG emissions) by the Company, in the following format:

Parameter	Unit	FY'2025-26	FY'2024-25
NOx	Veritas Finance Limited is a Non-Banking Financial Company (NBFC) engaged in providing financial services including secured and unsecured lending to MSMEs, home loans, and loans against property. The Company's operations are entirely office-based and do not involve any manufacturing, industrial processing, or combustion-based activities that would result in the emission of air pollutants such as NOx, SOx, Particulate Matter, POPs, VOCs, HAPs, or heavy metals. Accordingly, this disclosure is not applicable to the Company.		
SOx			
Particulate matter (PM)			
Persistent organic pollutants (POP)			
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others – please specify Mercury, Cadmium, Chromium etc.			
<b>Note:</b> Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.			

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY'2025-2026 (Current Financial Year)	FY'2024-25 (Previous Financial Year)
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	222.51	203.03
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	295.67	323.34
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO <sub>2</sub> equivalent / Rupees in Crore	1	1.2

Parameter	Unit	FY'2025-2026 (Current Financial Year)	FY'2024-25 (Previous Financial Year)
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Metric tonnes of CO2 equivalent / USD Crore	0.049	0.059
<b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b>		NA	
<b>Total Scope 1 and Scope 2 emission intensity</b> (optional) – the relevant metric may be selected by the entity		-	
<b>Note:</b> Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.		No	

\*Based on the review of emissions factors and sources we have updated Scope 1 and 2 emissions  
 Scope 1 emissions include all Diesel consumption for DG sets, Company owned vehicles fuel consumption  
 Scope 2 Emissions are calculated for the Corporate Head office only. The Company will review electricity consumption at other locations and update the same in the coming year.

**8. Does the Company have any project related to reducing Green House Gas emission? If yes, then provide details.**

No

**9. Provide details related to waste management by the Company, in the following format:**

Parameter	FY'2025-2026 (Current Financial Year)	FY'2024-25 (Previous Financial Year)
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	0.072	0.06
E-waste (B)	0.97	0.74
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	0	0
Battery waste (E)	0	0
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	0	0
Other Non-hazardous waste generated (H). Please specify, if any.(Break-up by composition i.e. by materials relevant to the sector)	0	0
<b>Total (A+B + C + D + E + F + G+ H)</b>	<b>1.04</b>	<b>0.80</b>
<b>Parameter</b>		
<b>Waste intensity per rupee of turnover</b> (Total waste generated / Revenue from operations) (GJ/ Rs. Crore)	0.0006	0.0005
<b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total waste generated / Revenue from operations adjusted for PPP)	0.0115	0.0106
<b>Waste intensity in terms of physical output</b>		NA
<b>Waste intensity</b> (optional) – the relevant metric may be selected by the entity		-
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled	1.04	0.8
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
<b>Total</b>	<b>1.04</b>	<b>0.8</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
<b>Total</b>	<b>0</b>	<b>0</b>
<b>Note:</b> Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.		No

10. Briefly describe the waste management practices adopted in your establishment. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company being a financial service sector provider does not generate any toxic chemical waste or significant hazardous waste. The Company ensures responsible waste disposal practices. E-waste is handled through authorized vendors, while plastic waste being minimal in quantity is collected by local vendors in accordance with applicable guidelines.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
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Not Applicable

None of our offices are located close to any ecologically sensitive areas.

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
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Not Applicable

Veritas Finance Limited primarily operates through rental premises. Considering the nature of its business as a financial services institution, the Company's operations do not attract the provision of an Environmental Impact Assessment.

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection Act and rules thereunder (Y/N).

Yes. Veritas Finance Limited operates within a compliance framework designed to ensure adherence to all applicable laws, regulations, and regulatory requirements. During the reporting period, the Company did not record any material instances of non-compliance with applicable environmental laws, regulations, or guidelines.

If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
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NA

## Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area – **NA**  
(ii) Nature of operations – **NA**  
(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY'2025-2026 (Current Financial Year)	FY'2024-25 (Previous Financial Year)
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	NA	NA
(ii) Groundwater	NA	NA
(iii) Third party water	NA	NA

Parameter	FY'2025-2026 (Current Financial Year)	FY'2024-25 (Previous Financial Year)
(iv) Seawater / desalinated water	NA	NA
(v) Others	NA	NA
<b>Total volume of water withdrawal (in kiloliters)</b>	<b>NA</b>	<b>NA</b>
<b>Total volume of water consumption (in kiloliters)</b>	<b>NA</b>	<b>NA</b>
<b>Water intensity per rupee of turnover</b> (Water consumed / turnover)	NA	NA
<b>Water intensity</b> (optional) – the relevant metric may be selected by the entity	NA	NA
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) Into Surface water	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(ii) Into Groundwater	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iii) Into Seawater	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iv) Sent to third-parties	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(v) Others	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
<b>Total water discharged (in kilolitres)</b>	<b>NA</b>	<b>NA</b>
<b>Note:</b> Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.		No

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY'2025-2026	FY'2024-2025
<b>Total Scope 3 emissions</b> (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	6,317.27*	4,759.76**
<b>Total Scope 3 emissions per rupee of turnover</b>	Metric tonnes of CO2 equivalent / Rupees in crores	3.46	3.06
<b>Total Scope 3 emission intensity</b>	-	-	-
<b>Note:</b> Indicate if any independent assessment, evaluation, or assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.			

\* Emissions sources include Scope 3 - Category 1,2,3,4,6 and 7

\*\* Emissions sources include Scope 3 - Category 6,7

3. With respect to the ecologically sensitive areas reported in Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable

4. If the entity provided below taken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
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At present, the Company is in the process of evaluating material topics and will undertake specific initiatives in the coming year. The Company has also reduced paper waste by transitioning to digital processes in its operations.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Veritas Finance has put in place a comprehensive Business Continuity Plan (BCP) and Disaster Recovery (DR) framework to safeguard the continuity of critical business operations during any unforeseen disruptions. The framework covers business impact assessments, disaster recovery arrangements, and periodic testing to ensure recovery capabilities remain effective.

The plan focuses on data and technology resilience, workforce and people strategy, and system safeguards.

The plan is reviewed and updated on a regular basis to stay aligned with evolving business needs, regulatory requirements, and operational priorities. This ongoing process helps strengthen resilience and ensures the timely restoration of essential services whenever required.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

Environment impacts from the value chain partners are not evaluated as the supply chain partners pertain to the financial operations services

7. % of Value chain partners (by value of business done with such partners) that were assessed for Environmental Impacts?

Not Applicable

8. How Many green credits have been generated or produced

a	By the listed entity	NA
b	By the top ten ( in terms of value of purchase and sales respectively) value chain partners	NA

## 7

### Principle

**Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.**

### Essential Indicators

1. a. Number of affiliations with trade and industry chambers/associations.
  - 3
- b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the Company is a member of/affiliated to.

S. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/ associations (State/ National)
1	Confederation of India Industry (CII)	National
2	Finance Industry Development Council (FIDC)	National
3	Madras Management Association (MMA)	State

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the Company, based on adverse orders from regulatory authorities.

Name of the authority	Brief of the case	Corrective action taken
	Nil	

### Leadership Indicators

1. Details of public policy positions advocated by the Company:

S. No.	Public Policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/ No)	Frequency of Review by Board (Annually/ Half yearly/Quarterly/ Others- please specify)	Web Link, if available

Not applicable

# 8

## Principle

**Businesses should promote inclusive growth and equitable development.**

### Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the Company, based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
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In accordance with CSR regulations, no projects required a Social Impact Assessment (SIA) during the current financial year

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by the Company, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
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Based on the operations of the Company R&R is not applicable

3. Describe the mechanisms to receive and redress grievances of the community.

The Company undertakes its Corporate Social Responsibility (CSR) initiatives in collaboration with reputed and recognized institutions, and NGOs It supports organisations working in areas such as education, healthcare, and sustainable livelihoods, with a focus on creating meaningful social impact.

These partner organizations conduct needs assessments and engage with local communities to identify key concerns, which are then communicated to the Company for appropriate action and support.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY'2025-2026	FY'2024-2025
Directly sourced from MSMEs/small producers	43.67%	22.76%
Sourced directly from within the district and neighbouring districts.	100%	100%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY 2025-26	PY 2024-25
<b>Rural</b>		
i) Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis)	78050896	65197339
ii) Total Wage Cost	2899947424	243119537
iii) % of Job creation in Rural areas	26.9%	26.82%
<b>Semi-urban</b>		
i) Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis)	87976303	74351645
ii) Total Wage Cost	289994724	243119537
iii) % of Job creation in Semi-urban areas	30.3%	30.58%
<b>Urban</b>		
i) Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis)	94288087	77975211
ii) Total Wage Cost	289994724	2431195342
iii) % of Job creation in Urban areas	32.5%	32.07%
<b>Metropolitan</b>		
i) Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis)	29679438	25595342
ii) Total Wage Cost	289994724	243119537
iii) of Job creation in Metropolitan areas	10.2%	10.5%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

## Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

The Company has not undertaken any social impact assessment studies during the reporting period, as the requirement was not applicable based on the thresholds prescribed under the applicable regulatory provisions.

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. Provide the following information on CSR projects undertaken by the Company in the designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In INR)
The Company does not undertake CSR activities in any aspirational districts.			

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/vulnerable groups?

The company provides a wide range of financial products and services to diverse consumers. These activities do not require raw materials or the production of physical goods, resulting in minimal procurement activities. Therefore, this indicator is not applicable to the company.

- (b) From which marginalized/vulnerable groups do you procure?

NA

- (c) What percentage of total procurement (by value) does it constitute?

NA

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by the Company (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/ No)	Benefit shared (Yes/No)	Basis of calculating benefit share
Not Applicable				
No intellectual properties acquired on traditional knowledge				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized group
1	Kanavu Mei Pada Vendum - A Scholarship program for 12 <sup>th</sup> completed government school commerce stream students, which provides financial support (Tuition, Hostel and Mess fee) to pursue higher education	40	100%
2	Renovation of GHSS , Nakkasalem	383	100%
3	Renovation of ADW School , Ladapuram	177	100%
4	Renovation of Primary School , Ladapuram	103	100%
5	Additional renovation of GHS, Ladapuram	162	100%
6	Financial support to NSNOP (Namma School Namma Oru Palli ) for the 12 <sup>th</sup> -grade students to pursue higher education	21	100%

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized group
7	Financial support to the Presidency College, Chennai, for the purchase of 40 cots, a table and chairs for the differently-abled girls hostel students	90	100%
8	Financial support to Baby Umaiyals cancer treatment at Adhyar Cancer Institute	3	100%
9	Donation to Adyar Cancer Institute for the purchase of medical equipments	Public at large	Public at large

## 9

### Principle

**Businesses should engage with and provide value to their consumers in a responsible manner**

### Essential Indicators

**1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

The Consumer complaints are addressed in accordance with the Company's Grievance Redressal Policy. Complaints can be submitted through various channels, including phone, email, or by writing directly to the branch. The Grievance Redressal Policy is available on the Company's website at Grievance Redressal Policy.

**2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	
Safe and responsible usage	NA
Recycling and/or safe disposal	

**3. Number of consumer complaints in respect of the following:**

Number of consumer complaints in respect of the following:	FY'2025-26		Remarks	FY'2024-25		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy						
Advertising						
Cyber-security		Nil			Nil	
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						
Other				120	0	-

**4. Details of instances of product recalls on account of safety issues:**

	Number	Reasons for recall
Voluntary recalls	NA	NA
Forced recalls	NA	NA

**5. Does the Company have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes, The Company has established a framework to address cybersecurity and data privacy risks, as outlined in its IT-related policies. These frameworks are designed to safeguard information assets, ensure data protection, and mitigate cyber risks in line with applicable regulatory requirements.

The Company maintains appropriate controls and governance mechanisms to effectively manage cybersecurity and data privacy risks.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.

Nil

7. Provide the following information relating to data breaches:

	Provide the following information relating to data breaches:
a. Number of instances of data breaches along-with impact	
b. Percentage of data breaches involving personally identifiable information of customer	Nil
c. Impact, if any, of the data breaches	

## Leadership Indicators

1. Channels/platforms where information on products and services of the Company can be accessed (provide web-link, if available).

The customer can view the product information and other details related to the company form branch office and registered office the website <https://www.veritasfin.in/>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

The Company undertakes various measures to inform and educate customers on the safe and responsible use of its financial products and services. Key information, including updates on regulatory aspects such as non-performing asset (NPA) norms and the importance of timely repayments, is made available through the Company's website.

During the loan origination process, customers are clearly informed about key terms such as loan amount, annualised interest rate, insurance premium, and applicable charges. Post-sanction, detailed disclosures are provided through the sanction letter and loan agreement, covering aspects such as repayment schedule, tenure, penal charges for delays, and other relevant terms. This information is further reiterated during the onboarding process to ensure transparency and informed decision-making by customers.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

The company communicates potential risks to its clients through timely emails and virtual meetings. This approach, whether addressing foreseeable disruptions or other issues and demonstrates the company's commitment to client well-being.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as whole? (Yes/No)

Not applicable – there is no product information mandated by laws. Given the nature of the business, there is limited applicability of this indicator. The Company, however, ensures to disclose information about its loan products, terms and conditions to all customers

# INDEPENDENT AUDITOR'S REPORT

To the Members of  
**Veritas Finance Limited**  
 (formerly known as Veritas Finance Private Limited)

## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of Veritas Finance Limited ("the Company"), which comprise the Balance Sheet as at March 31 2026, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of 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, 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, 2026, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

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

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2026. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key audit matters	How our audit addressed the key audit matter
<p><b>Impairment loss allowance for loans based on expected credit loss model – refer Note 3.6, 3.7, 8, 30</b></p> <p>Loans represents a significant portion of the total assets of the Company. The Company has reported loans aggregating to Rs. 9,13,429.27 lakhs against which an impairment loss allowance of Rs. 20,086.77 lakhs has been recognised as at March 31, 2026.</p> <p>As per the expected credit loss model of the Company developed in accordance with the principles set out in Ind AS 109 on Financial Instruments, the Company is required to estimate the probability of loss / expected loss based on past experience, current conditions and future considerations.</p> <p>This involves a significant degree of estimation and judgement, including determination of staging of financial assets; estimation of probability of defaults, loss given defaults, exposure at defaults; and forward-looking factors, micro and macro-economic factors, in estimating the expected credit losses.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Read and assessed the Company's accounting policies approved by the Board of Directors with respect to impairment of financial instruments considering the requirement of Ind AS 109 and applicable Reserve Bank of India guidelines / regulations.</li> <li>• Evaluated the reasonableness of the management estimates by understanding the process of ECL estimation and related assumptions. Tested the design and operating effectiveness of controls around data extraction, validation and computation.</li> <li>• Assessed the criteria for staging of loans based on their past due status to check compliance with requirement of Ind AS 109. Tested a sample of performing loans to assess whether any significant increase in credit risk (SICR) or loss indicators were present requiring them to be classified under higher stages.</li> </ul>

Key audit matters	How our audit addressed the key audit matter
<p>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. Such overlays are based on various uncertain variables which could result in actual credit loss being different than that being estimated.</p> <p>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 financial statements, it is considered as a key audit matter.</p>	<ul style="list-style-type: none"> <li>For provision of expected credit loss (ECL) against outstanding exposures classified across various status, we obtained understanding of the Company's provisioning methodology (including factors that affect the probability of default (PD), loss given default (LGD), and exposure at default (EAD), various forward looking macro-economic factors), the changes and refinement to ECL model made during the year, the underlying assumptions and the sufficiency of the data used by management and tested the same on a sample basis.</li> <li>Involved internal experts for testing of the ECL model and computation, including factors that affect the PD, LGD and EAD considering various forward looking, micro and macro-economic factors.</li> <li>Tested assumption used by the management in determining the overlay for macro-economic and other factors.</li> <li>Tested the arithmetical accuracy of computation of ECL provision performed by the Company.</li> <li>Assessed the disclosures as per accounting standards and regulations included in the financial statements in respect of expected credit losses.</li> </ul>
<p><b>Information technology (IT) systems and controls</b></p> <p>The financial accounting and reporting systems of the Company are fundamentally reliant on IT systems and IT controls to process significant transaction volumes.</p> <p>The Company has migrated to a new IT system, from the beginning of the year for accounting of financial statement line items and overall preparation and presentation of the financial statements.</p> <p>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. Further, the extant regulations require the Company to maintain a daily back-up of its books of account and to use general ledger application which has an audit trail (edit log) feature.</p> <p>Any gaps in the IT control environment could result in a material misstatement of the financial accounting and reporting records or non-compliance with regulatory requirements.</p> <p>Therefore, due to 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.</p>	<p>Our audit procedures focused on the IT infrastructure and applications relevant to financial reporting of the Company:</p> <ul style="list-style-type: none"> <li>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").</li> <li>Tested the changes that were made to the in-scope applications during the audit period to assess changes that have impact on financial reporting.</li> <li>Tested the periodic review of access rights, inspected requests of changes to systems for appropriate approval and authorisation.</li> <li>Performed tests of controls (including other compensatory controls, wherever applicable) on the IT application controls and IT dependent manual controls in the system.</li> <li>Tested the design and operating effectiveness of compensating controls, where deficiencies were identified and, where necessary, extended the scope of our substantive audit procedures.</li> <li>Tested the balance transfer with respect to transactions, master data and system access controls reconciliations, etc., to ensure accuracy and completeness of transfer of data between the IT systems on migration.</li> <li>Tested the configuration of the audit trail feature in the general ledger application and maintenance of back-up as per extant regulatory requirements</li> </ul>

## Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the Board of Directors Report, included in the Annual Report, but does not include the financial statements and our auditor's report thereon. The Board of Directors 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 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 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 Board of Directors Report if we conclude that there is a material misstatement therein, we are required to communicate the matter with those charged with governance.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless 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.

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended March 31, 2026 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
  2. As required by Section 143(3) of the Act, we report, 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
    - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
    - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
    - (e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 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 (i)(vi) below on reporting under Rule 11(g).
- (g) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - (h) In our opinion, the managerial remuneration for the year ended March 31, 2026 has been paid / provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act;
  - (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 statement – Refer note 37.1 to the financial statement;
    - ii. The Company has made provisions, as required under the applicable law or accounting standard, for material foreseeable losses, if any, on long term contracts including derivative contracts – Refer note 8 and 19 to the financial statement;
    - 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 49 to the 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 49 to the 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. No dividend has been declared or paid during the year by the Company.
  - vi. Based on our examination which included test checks and as described in note 51 to the financial statement, the Company has used a general ledger application, 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 transaction 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.

Further, the Company uses three loan management systems which have 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, audit trail feature was not enabled for direct changes to data when using certain access rights during the period April 1, 2025 to June 3, 2025. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, in respect of loan management systems where the audit trail has been enabled and has operated throughout the year at an application level.

Additionally, the audit trail of prior years and current year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective years.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

-sd-

per **Anand Philip Abraham**

Partner

ICAI Membership Number: 232912

UDIN: 26232912KDSBFE8516

Place: Chennai

Date: May 7, 2026

## Annexure '1' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

### Re: Veritas Finance 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 intangibles assets.
- (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, 2026.
- (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 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) As disclosed in note 4B to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks are in agreement with the audited/ unaudited books of accounts of the Company.
- (iii) (a) The Company's principal business is to give loans and is a registered NBFC, accordingly, reporting under clause (iii)(a) is not applicable to the Company.
- (b) During the year the investments made, 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. The Company has not provided guarantees to companies, firms, limited liability partnerships or any other parties.

- (c) In respect of loans and advances in the nature of loans, granted by the Company as part of its business of providing loans to customer, the schedule of repayment of principal and payment of interest has been stipulated by the Company. Having regard to the voluminous nature of loan transaction, it is not practicable to furnish entity-wise details of amounts, due dates for repayment or receipt and the extent of delay (as suggested in the Guidance Note on CARO 2020, issued by the Institute of Chartered Accountants of India for reporting under this clause) in this Annexure 1, 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 in respect of 12,705 loans with aggregate exposure of principal and interest of Rs. 43,116.41 lakhs where there were delays or default in repayment of principal and / or interest as at the balance sheet date, in respect of which the Company has disclosure asset classification in note 49 to the financial statements in accordance with Indian Accounting Standard (Ind AS) and the guidelines issued by the Reserve Bank of India, the parties 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, the total amount outstanding of loans classified as credit impaired ("Stage 3") is Rs. 22,639.90 Lakhs in respect of 6,314 loans as at March 31, 2026, as disclosed in note 49 to the financial statement. 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) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and sub-section (1) of Section 186 of the Act in respect of the loans and investments

made and guarantees and securities provided by it. The provisions of sub-sections (2) to (11) of Section 186 are not applicable to the Company as it is a non-banking financial company registered with the RBI engaged in the business of giving loans.

- (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 Central Government has not specified the maintenance of cost records under Section 148(1) of the Act, for the products/services of the Company. Accordingly, the requirement to report on clause 3(vi) 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, employees' state insurance, provident fund, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. Undisputed statutory dues with respect to professional tax have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. 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) The dues of goods and services tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Disputed Amount (Rs. in lakhs)	Amount deposited (Rs. in lakhs)*	Period to which the amount relates	Forum where the dispute is pending
The Income-tax Act, 1961	Income tax	38.30	7.68	FY 2017-18	Commissioner of Income-tax Appeals
The Income-tax Act, 1961	Income tax	72.94	14.70	FY 2023-24	Commissioner of Income-tax Appeals

\*net of tax paid under protest

- (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 wilful defaulter by any bank or financial institution or government or any government authority.
- (c) Monies raised during the year by the Company by way of term loans was initially invested in liquid investments payable on demand and were ultimately applied for the purpose for which they were raised.
- (d) On an overall examination of the financial statements of the Company, 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 requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

- (f) The Company does not have any subsidiary, 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 not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

- (xi) (a) No material fraud by the Company and 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 Companies Act, 2013 has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.
- (xii) (a) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) of the Order is not applicable to the Company.
- (b) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(b) of the Order is not applicable to the Company.
- (c) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the 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 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 and Housing Finance activities without obtaining 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) of the Order is not applicable to the Company.
- (d) There are no other Companies 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 financial year. The Company has not incurred cash losses in 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 disclosed in note 47B and 47C to the financial statements, 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, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, in compliance with second proviso to sub-section (5) of section 135 of the Act. This matter has been disclosed in note 33.3 to the financial statements.
- (b) All amounts that are unspent under sub-section (5) of section 135 of the Act, pursuant to any ongoing project, has been transferred to special account in compliance with provisions of sub section (6) of section 135 of the said Act. This matter has been disclosed in note 33.3 to the financial statements.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

-sd-

per **Anand Philip Abraham**

Partner

ICAI Membership Number: 232912

UDIN: 26232912KDSBFE8516

Place: Chennai

Date: May 7, 2026

## **ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF VERITAS FINANCE LIMITED (formerly known as VERITAS FINANCE PRIVATE LIMITED)**

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

We have audited the internal financial controls with reference to financial statements of Veritas Finance Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to

these financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

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

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

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

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

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

-sd-

per **Anand Philip Abraham**

Partner

ICAI Membership Number: 232912

UDIN: 26232912KDSBFE8516

Place: Chennai

Date: May 7, 2026

### **Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2026, 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.

# Balance Sheet

as at 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

Particulars	Note	As at 31 March 2026	As at 31 March 2025
<b>ASSETS</b>			
<b>Financial assets</b>			
Cash and cash equivalents	4	81,930.35	53,821.85
Bank balances other than cash and cash equivalents	5	48,140.85	41,940.97
Derivative financial instruments	6	1,249.87	-
<b>Receivables</b>			
- Other Receivables	7	81.14	38.05
Loans	8	8,93,342.50	7,18,787.81
Investments	9	16,027.25	17,069.51
Other financial assets	10	6,673.17	5,758.30
<b>Total financial assets</b>		<b>10,47,445.13</b>	<b>8,37,416.49</b>
<b>Non-financial assets</b>			
Current tax assets (net)	11	361.89	251.80
Deferred tax assets (net)	12	8,421.57	6,409.50
Property, plant and equipment (including right of use asset)	13.1	3,591.49	4,298.65
Intangible assets under development	13.2	34.05	163.70
Other intangible assets	13.3	578.19	731.36
Other non-financial assets	14	2,932.63	2,291.15
<b>Total non-financial assets</b>		<b>15,919.82</b>	<b>14,146.16</b>
<b>Total assets</b>		<b>10,63,364.95</b>	<b>8,51,562.65</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
<b>Financial liabilities</b>			
Trade payables	15		
- Total outstanding dues of micro enterprises and small enterprises		218.81	144.16
- Total outstanding dues of creditors other than micro enterprises and small enterprises		1,185.06	474.36
Debt securities	16	95,585.28	56,830.92
Borrowings (other than debt securities)	17	6,41,824.42	5,06,093.28
Other financial liabilities (including lease liabilities)	18	8,320.92	7,624.98
<b>Total financial liabilities</b>		<b>7,47,134.49</b>	<b>5,71,167.70</b>
<b>Non-financial liabilities</b>			
Provisions	19	2,614.29	1,337.58
Other non-financial liabilities	20	928.33	739.91
<b>Total non-financial liabilities</b>		<b>3,542.62</b>	<b>2,077.49</b>
<b>Total Liabilities</b>		<b>7,50,677.11</b>	<b>5,73,245.19</b>
<b>Equity</b>			
Equity share capital	21	13,136.42	13,136.42
Other equity	22	2,99,551.42	2,65,181.04
<b>Total Equity</b>		<b>3,12,687.84</b>	<b>2,78,317.46</b>
<b>Total Liabilities and Equity</b>		<b>10,63,364.95</b>	<b>8,51,562.65</b>
Summary of material accounting policies	3		

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

for **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration no.: 101049W/E300004

per **Anand Philip Abraham**

Partner

ICAI Membership No. : 232912

Place : Chennai

Date : 07 May 2026

for and on behalf of the Board of Directors of

**Veritas Finance Limited**

(formerly known as "Veritas Finance Private Limited ")

CIN: U65923TN2015PLC100328

**Raj Vikash Verma**

Chairman & Independent Director

DIN : 03546341

Place : Gurgaon

**Naveen Raj R**

Chief Financial Officer

Place : Chennai

Date : 07 May 2026

**D Arulmany**

Managing Director and Chief Executive Officer

DIN : 00009981

Place : Chennai

**V Aruna**

Company Secretary and Compliance Officer

Membership No. : A60078

Place : Chennai

# Statement of profit and loss

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

Particulars	Note	As at 31 March 2026	As at 31 March 2025
<b>Revenue from operations</b>			
Interest income	23	1,75,838.68	1,47,446.06
Fee and commission income	24	3,934.59	3,483.42
Net gain on fair value changes	25	2,290.88	2,508.44
Net gain on derecognition of financial instruments under amortised cost category		2,303.03	1,587.91
Sale of services	26	53.86	42.10
<b>Total revenue from operations</b>		<b>1,84,421.04</b>	<b>1,55,067.93</b>
Other income	27	439.31	672.03
<b>Total income</b>		<b>1,84,860.35</b>	<b>1,55,739.96</b>
<b>Expenses</b>			
Finance costs	28	58,014.11	48,309.17
Fees and commission expense	29	297.68	230.54
Impairment on financial instruments	30	20,807.02	17,134.20
Employee benefits expenses	31	49,297.86	40,711.00
Depreciation and amortization	32	3,022.32	2,889.36
Other expenses	33	9,813.11	7,633.37
<b>Total expenses</b>		<b>1,41,252.10</b>	<b>1,16,907.64</b>
<b>Profit before tax</b>		<b>43,608.25</b>	<b>38,832.32</b>
<b>Tax expense</b>			
Current tax	34	12,497.27	11,491.16
Deferred tax (credit)/ charge	12	(1,928.50)	(2,170.00)
<b>Total tax expense</b>		<b>10,568.77</b>	<b>9,321.16</b>
<b>Profit for the year</b>		<b>33,039.48</b>	<b>29,511.16</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss in subsequent periods</b>			
Re-measurements gain/ (loss) of the defined benefit plans	35	(227.26)	(390.19)
Income tax relating to items that will not be reclassified to profit or loss	12	57.22	98.20
		<b>(170.04)</b>	<b>(291.99)</b>
<b>Items that will be reclassified to profit or loss</b>			
Net movement on effective portion of cash flow hedges		(104.71)	-
Income tax relating to items that will be reclassified to profit or loss		26.35	-
		<b>(78.36)</b>	<b>-</b>
<b>Other comprehensive income / (loss) for the year, net of income tax</b>		<b>(248.40)</b>	<b>(291.99)</b>
<b>Total comprehensive income/ (loss) for the year, net of income tax</b>		<b>32,791.08</b>	<b>29,219.17</b>
Earnings per share, par value of INR 10 each			
- Basic (in INR)	38	25.17	22.44
- Diluted (in INR)		24.99	22.25
Summary of material accounting policies	3		

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

for **S.R. Batliboi & Associates LLP**  
Chartered Accountants  
ICAI Firm Registration no.: 101049W/E300004

**per Anand Philip Abraham**

Partner  
ICAI Membership No. : 232912  
Place : Chennai  
Date : 07 May 2026

for and on behalf of the Board of Directors of  
**Veritas Finance Limited**  
(formerly known as "Veritas Finance Private Limited ")  
CIN: U65923TN2015PLC100328

**Raj Vikash Verma**

Chairman & Independent Director  
DIN : 03546341  
Place : Gurgaon

**Naveen Raj R**

Chief Financial Officer  
Place : Chennai  
Date : 07 May 2026

**D Arulmany**

Managing Director and Chief Executive Officer  
DIN : 00009981  
Place : Chennai

**V Aruna**

Company Secretary and Compliance Officer  
Membership No. : A60078  
Place : Chennai

# Statement of changes in equity

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## A Equity share capital

### Equity share capital of INR 10 each, Issued, Subscribed and Fully paid

Particulars	Amount
<b>Balance as at 31 March 2024</b>	12,751.92
Changes in equity share capital during the year	384.50
<b>Balance as at 31 March 2025</b>	13,136.42
Changes in equity share capital during the year	-
<b>Balance as at 31 March 2026</b>	13,136.42

## B Other equity

Particulars	Other equity					Total other equity
	Reserves and surplus				Other comprehensive income	
	Securities premium	Retained earnings	Statutory reserve as per Section 45-IC of the RBI Act, 1934	Share options outstanding account	Effective portion of cash flow hedge reserve	
<b>As at 31 March 2024</b>	<b>1,58,123.15</b>	<b>48,216.81</b>	<b>12,375.47</b>	<b>1,488.00</b>	-	<b>2,20,203.43</b>
Profit for the year	-	29,511.16	-	-	-	29,511.16
Remeasurements of defined benefit plan transferred to retained earnings	-	(291.99)	-	-	-	(291.99)
Fair valuation gain/ (loss) of financial instrument (net)	-	-	-	-	-	-
Premium received on shares issued during the year	13,825.32	-	-	-	-	13,825.32
Transfer to securities premium on exercise of options under ESOP	40.99	-	-	(40.99)	-	-
Transfer to statutory reserve as per Section 45-IC of the RBI Act, 1934	-	(5,902.23)	5,902.23	-	-	-
Share based payment expense	-	-	-	1,933.12	-	1,933.12
Transfer to retained earnings on lapse of options	-	43.13	-	(43.13)	-	-
<b>Balance as at 31 March 2025</b>	<b>1,71,989.46</b>	<b>71,576.88</b>	<b>18,277.70</b>	<b>3,337.00</b>	-	<b>2,65,181.04</b>
Profit for the year	-	33,039.48	-	-	-	33,039.48
Remeasurements of defined benefit plan transferred to retained earnings	-	(170.04)	-	-	-	(170.04)
Fair valuation gain/ (loss) of financial instrument (net)	-	-	-	-	(78.36)	(78.36)
Transfer to securities premium on exercise of options under ESOP	-	-	-	-	-	-

# Statement of changes in equity

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

Transfer to statutory reserve as per Section 45-IC of the RBI Act, 1934	-	(6,607.90)	6,607.90	-	-	-
Share based payment expense	-	-	-	1,579.30	-	1,579.30
Transfer to retained earnings on lapse of options		160.42	-	(160.42)	-	-
<b>Balance as at 31 March 2026</b>	<b>1,71,989.46</b>	<b>97,998.84</b>	<b>24,885.60</b>	<b>4,755.88</b>	<b>(78.36)</b>	<b>2,99,551.42</b>

The accompanying notes form an integral part of the financial statements 3

As per our report of even date attached

for **S.R. Batliboi & Associates LLP**  
Chartered Accountants  
ICAI Firm Registration no.: 101049W/E300004

for and on behalf of the Board of Directors of  
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Chief Financial Officer  
Place : Chennai  
Date : 07 May 2026

**V Aruna**

Company Secretary and Compliance Officer  
Membership No. : A60078  
Place : Chennai

# Statement of cash flows

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

Particulars	Note	For the year ended 31 March 2026	For the year ended 31 March 2025
<b>Cash flows from operating activities</b>			
Profit before tax for the year		43,608.25	38,832.32
<b>Adjustments to reconcile profit before tax to net cash flows:</b>			
Depreciation and amortisation expense	32	3,022.32	2,889.36
Impairment on financial instruments	30	20,807.02	17,134.20
Share based payment expense	31	1,579.29	1,933.12
Net (gain)/ loss on investments in mutual funds	25	(2,290.88)	(2,508.44)
Interest income on loans and investments	23	(1,71,499.68)	(1,44,027.44)
Interest income on security deposits	23	(201.62)	(180.11)
(Gain)/ loss on termination of leased assets	27	(5.31)	(20.55)
Net gain on derecognition of financial instruments under amortised category		(2,303.03)	(1,587.91)
Finance costs	28	58,014.11	48,309.17
(Gain) / loss on sale of property, plant and equipment	33	8.51	12.21
Interest income on fixed deposits with banks	23	(4,137.38)	(3,238.51)
<b>Cash used in operations before working capital changes and adjustments</b>		<b>(53,398.40)</b>	<b>(42,452.58)</b>
<b>Changes in working capital</b>			
<b>Adjustments for (increase)/ decrease in operating assets:</b>			
(Increase)/ Decrease in loans	8	(2,02,732.07)	(1,79,588.91)
(Increase)/ Decrease in other receivables	7	(43.09)	132.04
(Increase)/ Decrease in other financial assets	10	1,414.82	(1,806.20)
(Increase)/ Decrease in other non-financial assets	14	(641.48)	(1,868.04)
<b>Adjustments for increase/ (decrease) in operating liabilities:</b>			
Increase/ (decrease) in trade payables	15	785.36	(261.37)
Increase/ (decrease) in other financial liabilities	18	1,048.17	462.45
Increase/ (decrease) in provisions	19	1,051.52	28.60
Increase/ (decrease) in other non-financial liabilities	20	188.42	151.84
<b>Cash used in operations before adjustments</b>		<b>(2,52,326.75)</b>	<b>(2,25,202.17)</b>
Proceeds from derecognition of financial instruments		8,654.24	7,207.85
Interest income received on loans and investments		1,70,017.09	1,44,963.65
Interest income received on security deposits		144.62	111.36
Finance costs paid		(57,853.23)	(48,735.72)
Income tax paid (net of refunds)		(12,607.37)	(11,584.14)
<b>Net cash used in operating activities</b>	(A)	<b>(1,43,971.40)</b>	<b>(1,33,239.17)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment, other intangible assets and intangible assets under development		(631.96)	(1,139.64)
Proceeds from sale of property, plant and equipment		29.55	57.97
Deposits placed with banks (net)		(6,030.52)	(23,539.84)
Interest received on fixed deposits		3,968.02	2,035.35
Purchase of investments - mutual funds		(8,17,859.67)	(6,41,571.54)
Purchase of investments - Government securities		(4,784.81)	(5,020.99)
Proceeds from sale of investments - mutual funds		8,26,163.83	6,32,059.80
<b>Net cash from / (used in) investing activities</b>	(B)	<b>854.44</b>	<b>(37,118.89)</b>
<b>Cash flows from financing activities</b>			
Proceeds from issue of equity shares including securities premium		-	14,209.83
Payment of principal portion of lease liabilities		(1,744.58)	(1,544.83)
Payment of interest portion of lease liabilities		(275.75)	(327.52)
Proceeds from debt securities		42,500.00	37,843.02
Proceeds from borrowings (other than debt securities)		3,61,868.50	3,14,636.65
Repayment of debt securities		(3,875.00)	(11,718.02)
Repayment of borrowings (other than debt securities)		(2,27,247.71)	(1,76,664.14)
<b>Net cash from financing activities</b>	(C)	<b>1,71,225.46</b>	<b>1,76,434.99</b>
<b>Net increase / (decrease) in cash and cash equivalents (A) + (B) + (C)</b>		<b>28,108.50</b>	<b>6,076.93</b>
Cash and cash equivalents at the beginning of the year		53,821.85	47,744.92
<b>Cash and cash equivalents at the end of the year</b>		<b>81,930.35</b>	<b>53,821.85</b>

# Statement of cash flows

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## Notes to Statement of cash flows

### 1 Components of cash and cash equivalents:

Particulars	As at 31 March 2026	As at 31 March 2025
Cash on hand	285.61	407.25
Balances with banks		
In current accounts	53,379.80	46,380.65
In deposit accounts (Original maturity less than three months)	28,264.94	7,033.95
	<b>81,930.35</b>	<b>53,821.85</b>

2 The above cash flow statement has been prepared under the "indirect method", as set out in the Ind AS-7 on statement of cash flows specified under Section 133 of the Companies Act, 2013.

### 3 Non cash financing and investing activity

Particulars	As at 31 March 2026	As at 31 March 2025
<b>a Investing Activity</b>		
Acquisition of right of use asset	1,564.11	1,661.84
<b>Total</b>	<b>1,564.11</b>	<b>1,661.84</b>

b. For disclosures relating to change in liabilities arising from financing activities, refer note 48A

Summary of material accounting policies

3

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

for **S.R. Batliboi & Associates LLP**  
Chartered Accountants  
ICAI Firm Registration no.: 101049W/E300004

for and on behalf of the Board of Directors of  
**Veritas Finance Limited**  
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CIN: U65923TN2015PLC100328

**per Anand Philip Abraham**  
Partner  
ICAI Membership No. : 232912  
Place : Chennai  
Date : 07 May 2026

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DIN : 03546341  
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DIN : 00009981  
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Chief Financial Officer  
Place : Chennai  
Date : 07 May 2026

**V Aruna**  
Company Secretary and Compliance Officer  
Membership No. : A60078  
Place : Chennai

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 1. Corporate information

Veritas Finance Limited ("the Company") (CIN:U65923TN2015PLC100328) is a Company limited by shares domiciled in India and incorporated on 30 April 2015 under the provisions of the Companies Act, 2013. The Company had received the Certificate of Registration dated 15 October 2015 from Reserve Bank of India ("RBI") to carry on the business of NBFC without accepting public deposits. The debt securities of the Company namely non-convertible debentures are listed on the Bombay Stock Exchange ("BSE") and National Stock Exchange ("NSE"). The Company is engaged in extending credit to micro and small enterprises, typically self-employed businesses and salaried segment for the purpose of their business expansion, working capital, construction of houses, and purchase of used commercial vehicles.

## 2. Basis of preparation of Financial Statements

### 2.1 Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards "Ind-AS" as specified under Section 133 of the Companies Act, 2013 ('the Act') read with Companies (Indian Accounting Standards) Rules 2015, as amended and in conformity with generally accepted accounting principles in India, other relevant provisions of the Act.

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

The financial statements are prepared on going concern basis based on ability of the Company to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption. In making this assessment, the Company has considered wide range of information relating to present and likely future conditions including projections of cash flows, profitability and ability of capital resources.

The financial statements were approved for issue in accordance with a resolution of the Board of directors on 07 May 2026.

### 2.2 Presentation of financial statements

The Balance sheet, the Statement of profit and loss and the Statement of changes in equity are presented in the format prescribed under Division III of Schedule III to the Act and as amended from time to time, for Non-Banking Financial Companies ('NBFC') that are required to comply with Ind AS.

The Company uses accrual basis of accounting in preparation of financial statements (other than statement of cash flows) except in case of significant uncertainties.

The statement of cash flows has been presented as per the requirements of Ind AS 7 Statement of Cash Flows.

The Company presents its balance sheet in order of liquidity. Financial assets and financial liabilities are generally reported on gross basis in the balance sheet. They are offset and reported net only where it has an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event and where the parties also intend to settle on a net basis or to realize the asset and settle the liability simultaneously as permitted under Ind AS. Similarly, the Company offsets income and expenses and reports the same on net basis where the netting off reflects the substance of the transaction or other events permitted by Ind AS.

Derivative assets and liabilities with master netting arrangements (e.g. ISDAs) are only presented net when they satisfy the eligibility of netting for all of the above criteria and not just in the event of default.

### 2.3 Functional and presentation currency

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

### 2.4 Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Financial assets and liabilities	Fair value / Amortised Cost, as applicable
Liabilities for equity-settled share-based payment arrangements	Fair value
Net defined benefit (asset) / liability	Fair value of plan assets less present value of defined benefit obligations

### 2.5 Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the year.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

basis. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements. Information about judgements, estimates and assumptions made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements are set out below:

## (i) Business model assessment

Classification and measurement of financial assets depends on the results of business model and the solely payments of principal and interest ("SPPI") 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. 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) Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values.

## (iii) 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).

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well as expected changes to interest rates and other fee income/ expense that are integral parts of the instrument.

## (iv) Impairment of financial assets

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, 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 a number of factors, changes in which can result in different levels of allowances.

The Company's expected credit loss ("ECL") calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- a) The Company's criteria for assessing if there has been a significant increase in credit risk and subsequently measuring impairment allowances for financial assets on a life time expected credit loss ("LTECL") basis.
- b) Development of ECL models, including the various formulas and the choice of inputs.
- c) Determination of associations between macroeconomic scenarios and economic inputs, such as gross domestic products, lending interest rates and collateral values, and the effect on Probability of Default ("PD"), Exposure at Default ("EAD") and Loss Given Default ("LGD").
- d) Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into ECL models.

## (v) Impairment of non-financial assets

The Company assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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 the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators. Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

## (vi) Share based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate

also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. For the measurement of the fair value of equity-settled transactions with employees at the grant date, the Company uses Black Scholes model. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 42.

## (vii) Leases - Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available. The Company estimates the IBR to be the interest rate at which the Company has raised borrowings during the time immediately preceding the lease period.

## (viii) Provisions and other contingent liabilities

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, the Company is involved in various litigations, arbitrations and regulatory inspections and proceedings in the ordinary course of its business.

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the outflow is considered to be probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

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.

These estimates and judgements are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable.

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## (ix) Other assumptions and estimation uncertainties

Information about critical judgements in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year are included in the following notes:

- i. Measurement of defined benefit obligations: key actuarial assumptions;
- ii. Estimated useful life of property, plant and equipment and intangible assets other than those taken on lease;
- iii. Recognition of deferred taxes.

## 3. Summary of material accounting policies

### 3.1 Revenue Recognition from contracts with customers

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'. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligations. Revenue is measured at transaction price i.e. the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to the customer

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

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

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

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

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in

an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

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

Revenue recognition for different heads of income is as under:

#### A. Recognition of interest income on loans

Under Ind AS 109, 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 instrument 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 fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the financial instrument.

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

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

When the financial asset becomes credit impaired, the Company calculated interest income by applying the effective rate of interest to the net amortised cost of the financial asset. If the financial asset cures and is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

#### B. Interest income on deposits

Interest on bank deposits is accounted on accrual basis on time proportion using effective interest rate.

#### C. Fee income

Fees income such as instrument bounce charges, delayed payment charges and pre-closure charges (other than fees and costs that are an integral part of EIR) are recognised on a point-in-time basis, and are recorded when realised based on certainty of receipt.

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## D. Net gain/loss or fair value changes

The Company designates certain financial assets for subsequent measurement at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI). The Company recognises gains on fair value change of financial assets measured at FVTPL and realised gains on derecognition of financial asset measured at FVTPL and FVOCI on net basis in profit or loss.

## E. Net gain on derecognition of financial instruments under amortised cost category

Gains arising out of direct assignment transactions comprises of the difference between interest on the loan portfolio and the applicable rate at which the direct assignment is entered into with the assignee, also known as the right of excess interest spread (EIS). The future EIS basis the scheduled cash flow on execution of the transaction, discounted at the applicable rate is recorded upfront in the statement of profit and loss.

## F. Other income

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

## G. Taxes

All incomes are recognised net of goods and services tax, wherever applicable.

## 3.2 Financial instrument – Initial recognition

### A. Date of recognition

Debt securities issued and borrowings made are initially recognised when the funds reach the Company. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. Loans are recognised when fund transfers are transferred to the customers' bank accounts.

### B. Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value, except in the case of financial assets and financial liabilities recorded at fair value through profit and loss (FVTPL), transaction costs are added to or subtracted from this amount.

## C. Measurement categories of financial assets and liabilities

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- i) Amortised cost
- ii) Fair value through other comprehensive income (FVOCI)
- iii) Fair value through profit and loss (FVTPL)

## 3.3 Financial assets and liabilities

### A. Financial assets

#### Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- a) How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Company's key management personnel.
- b) The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed.
- c) How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
- d) The expected frequency, value and timing of sales are also important aspects of the Company's assessment.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

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## Solely payments of principal and interest (SPPI) test

As a second step of its classification process, the Company assesses the contractual terms of financial assets to identify whether they meet SPPI test.

Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of financial asset (for example, if there are repayments of principal or amortisation of the premium / discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the period for which the interest rate is set.

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

Accordingly, financial assets are measured as follows based on the existing business model:

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

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

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

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Since, the loans are held to sale and collect contractual cash flows, they are measured at FVTOCI.

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

Financial assets which do not meet the criteria for categorisation as at amortised cost or as FVOCI, are measured at FVTPL. Subsequent changes in

fair value are recognised in the statement of profit and loss. The Company records investments in mutual funds at FVTPL.

## B. Financial liabilities

### (i) Initial recognition and measurement

All financial liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liability, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

### (ii) Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method.

### (iii) Debt securities and other borrowed funds:

After initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the instrument.

## 3.4 Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified. The Company did not reclassify any of its financial assets or liabilities during the year ended 31 March 2026.

## 3.5 Derecognition of financial assets and liabilities

### A. Derecognition of financial assets due to substantial modification of terms and conditions

The Company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes.

When assessing whether or not to derecognise a loan to a customer, amongst others, the Company considers the following factors:

- Introduction of an equity feature
- Change in currency of the loan
- Change in counterparty
- If the modification is such that the instrument would no longer meet the SPPI criterion

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If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Company records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

## B. Derecognition of financial instruments other than due to substantial modification of terms and conditions

### (i) Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the contractual rights to the cash flows from the financial asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

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.

When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Company could be required to pay.

### (ii) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification

is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in the statement of profit and loss.

## 3.6 Impairment of financial assets

### A. Overview of ECL principles

In accordance with Ind AS 109, the Company uses ECL model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL). The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), 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 (12mECL). The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. When estimating lifetime expected credit loss (LTECLs) for undrawn loan commitments, the Company estimates the expected portion of the loan commitment that will be drawn down over its expected life on which ECL is estimated.

Expected credit losses are measured through a loss allowance at an amount equal to:

- i) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- ii) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

Both LTECLs and 12 months ECLs are calculated on collective basis.

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

#### Stage 1:

When loans are first recognised, the Company recognises an allowance based on 12 months ECL. Stage 1 loans includes those loans where there is no significant credit risk observed and also includes facilities where the credit risk has been improved and the loan has been reclassified from stage 2 or stage 3 (if completely regularised to zero DPD for stage 3)

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## Stage 2:

When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for life time ECL. Stage 2 loans also include where the loans have been re-structured as per extent RBI Regulations.

## Stage 3:

Loans considered credit impaired are the loans which are past due for more than 90 days and has not been completely regularised to zero DPD. The Company records an allowance for life time ECL.

## B. Calculation of ECLs

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

### Probability of Default ('PD'):

PD 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.

### Exposure at Default ('EAD'):

EAD is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest.

### Loss Given Default ('LGD'):

LGD is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive. It is usually expressed as a percentage of the EAD. The Company has calculated PD, EAD and LGD to determine impairment loss on the portfolio of loans and discounted back to the default date using customer IRR. At every reporting date, the above calculated PDs, EAD and LGDs are reviewed and changes in the forward-looking estimates are analysed.

Impairment losses and releases are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value.

The mechanics of the ECL method are summarised below:

### Stage 1:

The 12 months ECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible

within the 12 months after the reporting date. The Company calculates the 12 months ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12 months default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted using customer IRR.

### Stage 2:

When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted using customer IRR.

### Significant increase in credit risk:

The Company monitors all financial assets that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Company will measure the loss allowance based on lifetime LTECLs rather than 12mECLs.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the Company's historical experience and expert credit assessment including forward looking information.

### Stage 3:

For loans considered credit-impaired, the Company recognises the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.

### Credit-impaired financial assets

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

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occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit-impairment includes observable data about the following events:

- significant financial difficulty of the borrower;
- a breach of contract such as a default or past due event;
- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- the disappearance of an active market for a security because of financial difficulties; or
- the purchase of a financial asset at a deep discount that reflects the incurred credit losses.

It may not be possible to identify a single discrete event—instead, the combined effect of several events may have caused financial assets to become credit-impaired. The Company assesses whether debt instruments that are financial assets measured at amortised cost are credit-impaired at each reporting date.

A loan is considered credit-impaired when a concession is granted to the borrower due to a deterioration in the borrower's financial condition, unless there is evidence that as a result of granting the concession the risk of not receiving the contractual cash flows has reduced significantly and there are no other indicators of impairment. For financial assets where concessions are contemplated but not granted the asset is deemed credit impaired when there is observable evidence of credit-impairment including meeting the definition of default. The definition of default includes unlikeliness to pay indicators and a back-stop if amounts are overdue for 90 days or more.

### C. Forward looking information

In its ECL models, the Company relies on a broad range of forward looking macro parameters and estimated the impact on the default at a given point of time.

### 3.7 Write-offs

The gross carrying amount of a financial assets is written off when there is no reasonable expectation of recovering the asset. Any subsequent recoveries are credited to impairment on financial instruments in the statement of profit and loss.

The Company writes off all loan accounts which have remained as NPA for a specified period based on its write off policy.

### 3.8 Determination of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company has taken into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements 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 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. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date;

Level 2 financial instruments: Those where the inputs that are used for valuation are significant and 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; and

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re assessing categorisation (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 periodically reviews its valuation techniques including the adopted methodologies and model calibrations. However, the base models may not fully capture all factors relevant to the valuation of the Company's financial instruments. Therefore, the Company applies various techniques to estimate the credit risk associated with its financial instruments measured at fair value, which include a portfolio-based approach that estimates the expected net exposure per counterparty over the full lifetime of the individual assets, in order to reflect the credit risk of the individual counterparties for financial instruments.

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.

## 3.9 Property, plant and equipment ('PPE')

### (i) Recognition and measurement

Items of PPE are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Cost of an item of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Any gain or loss on disposal of an item of PPE is recognised in statement of profit and loss.

Advances paid towards the acquisition of PPE outstanding at each balance sheet date are classified as capital advances under non-financial assets and the cost of the assets not put to use before such date are disclosed under "Capital work-in-progress".

### (ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

### (iii) Depreciation

Depreciation is calculated on cost of items of PPE less their estimated residual values over their estimated useful lives using the straight line method and is generally recognised in the statement of profit and loss.

The Company, based on technical assessment made by the technical expert and management estimate, depreciates certain items of vehicle, furniture and fixtures over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The estimated useful lives of items of property, plant and equipment for the current and comparative years are as follows:

Asset category	Useful life
Furniture and fixtures	5 Years
Office equipment	5 Years
Computers and accessories	3 Years
Vehicles	5 Years

Leasehold improvements are depreciated over the remaining period of lease or 5 years, whichever is lower.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

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. Property, plant and equipment taken on rent are treated as lease. Refer note 3.14.

## 3.10 Intangibles

### (i) Recognition and measurement

Intangible assets including those acquired by the Company are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

### (ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other

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expenditure, including expenditure on internally generated goodwill and brands, is recognised in the statement of profit and loss as and when it is incurred.

### (iii) Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight line method and is included in depreciation and amortisation in statement of profit and loss.

Asset category	Management estimate of useful life
Computer software	License period or 3 years, whichever is lower

The amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

### (iv) De-recognition

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 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.

## 3.11 Employee benefits

### (i) Post – employment benefits

#### a) Defined contribution plan

The Company's contribution to provident fund are considered as defined contribution plan and are charged as an expense as they fall due based on the amount of contribution required to be made and when the services are rendered by the employees.

#### (b) Defined benefit plan

##### Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed by a qualified actuary using

the projected unit credit method. In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, are recognised in OCI. The Company determines the net interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

### (ii) Other long-term employee benefit

#### Compensated absences

The employees can carry forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within 12 months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

### (iii) Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the year in which the employee renders the related

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service. The cost of such compensated absences is accounted as under:

- (a) in case of accumulated compensated absences - when employees render services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences - when the absences occur.

#### (iv) Share based payment

The grant date fair value of equity settled share based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date.

#### Equity settled plan:

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 42.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or 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's 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 non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

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.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

### 3.12 Derivative financial instruments and hedge accounting

Derivative financial instruments A derivative is a financial instrument or other contract with all three of the following characteristics:

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract (i.e., the 'underlying').
- It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts expected to have a similar response to changes in market factors.
- It is settled at a future date

The Company enters into derivative financial instruments to manage its exposure to interest rate risk and foreign exchange rate risk. The Company holds foreign exchange forward contracts.

Derivatives are initially recognised at fair value on the date when a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet 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 hedges of highly probable forecast transactions (cash flow hedges). A derivative with a positive fair

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value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability.

## Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged, and how the Company will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.

- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Company actually hedges and the quantity of the hedging instrument that the Company actually uses to hedge that quantity of hedged item.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

### i. Fair value hedges

The change in the fair value of a hedging instrument is recognised in the P&L as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the P&L as finance costs.

For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss.

When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit or loss.

### ii. Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the Effective portion of cash flow hedges, while any ineffective portion is recognised immediately in the P&L. The Effective portion of cash flow hedges is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

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The Company uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments, as well as forward commodity contracts for its exposure to volatility in the commodity prices. The ineffective portion relating to foreign currency contracts is recognised in finance costs and the ineffective portion relating to commodity contracts is recognised in other income or expenses. Refer to Note 39 for more details.

The Company designates only the spot element of a forward contract as a hedging instrument. The forward element is recognised in OCI.

The amounts accumulated in OCI are accounted for, depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognised in OCI for the period. This also applies where the hedged forecast transaction of a non-financial asset or non-financial liability subsequently becomes a firm commitment for which fair value hedge accounting is applied.

For any other cash flow hedges, the amount accumulated in OCI is reclassified to profit or loss as reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in OCI must remain in accumulated OCI if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated OCI must be accounted for depending on the nature of the underlying transaction as described above.

### 3.13 Provisions, contingent liabilities and contingent assets

#### Provisions

Provisions are recognised when the Company 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 Company 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.

#### Contingent liability

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or; present obligation that arises from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability are disclosed as contingent liability and not provided for.

#### Contingent asset

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non- occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are neither recognised nor disclosed in the financial statements.

### 3.14 Leases

#### As a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

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

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

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

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in substance fixed lease payment. When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets separately on the face of the balance sheet and lease liability under other financial liabilities.

## Short-term leases

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

## 3.15 Income tax

Income tax comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to a business combination

or to an item recognised directly in equity or in other comprehensive income.

### (i) Current tax

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

Current tax assets and current tax 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.

### (ii) Deferred tax

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

#### Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

### (iii) Goods and services taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the goods and services taxes paid except:

- a. When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- b. When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

### 3.16 Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Company, at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at

the exchange rate at the date of the transaction. Exchange differences are recognized in the statement of profit and loss.

### 3.17 Borrowing cost

Borrowing costs are interest and other costs incurred in connection with the borrowings of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of the asset. Other borrowings costs are recognized as an expense in the statement of profit and loss account on an accrual basis using the effective interest method.

### 3.18 Cash and cash equivalents

Cash and cash equivalents comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

### 3.19 Earnings per share

The Company reports basic and diluted earnings per equity share in accordance with Ind AS 33 Earnings Per Share. Basic earnings per equity share is computed by dividing net profit / loss after tax attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed and disclosed by dividing the net profit/ loss after tax attributable to the equity shareholders for the year after giving impact of dilutive potential equity shares for the year by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.

### 3.20 Cash flow statement

Cash flows are reported using the indirect method, whereby profit 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. The cash flows from regular revenue generating, financing, and investing activities of the Company are segregated based on the available information. Cash flows in foreign currencies are accounted at the actual rates of exchange prevailing at the dates of the transactions.

### 3.21 Changes in accounting policies and disclosures

#### New and amended standards

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 April 2025. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

**(i) Amendments to Ind AS 21 - Lack of exchangeability**

The Ministry of Corporate Affairs (MCA) notified the Companies (Indian Accounting Standards) Amendment Rules, 2025, which amend Ind AS 21, The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after 1 April 2025. When applying the amendments, an entity cannot restate comparative information.

The amendments do not have a material impact on the Company's financial statements.

**(ii) Amendments to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants**

In August 2025, the MCA notified amendments to paragraphs 69 to 76 of Ind AS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

If there is a breach of a material covenant of a long term loan arrangement on or before the end of the reporting period, resulting in the liability becoming payable on demand as at the reporting date, and the lender agrees—after the reporting period but before the financial statements are approved for issue—not to demand repayment for at least 12 months as a

consequence of the breach, this shall be treated as an adjusting event. Accordingly, the entity is not required to classify the liability as current.

The amendments are effective for annual reporting periods beginning on or after 1 April 2025 retrospectively in accordance with Ind AS 8.

The amendments do not have a material impact on the Company's financial statements.

**(iii) Amendments to Ind AS 7 and Ind AS 107 - Supplier Finance Arrangements**

In August 2025, the MCA notified amendments to Ind AS 7 Statement of Cash Flows and Ind AS 107 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments had no impact on the Company's financial statements as the Company do not have Supplier Finance Arrangements.

**(iv) International Tax Reform—Pillar Two Model Rules – Amendments to Ind AS 12**

In August 2025, the MCA notified amendments to Ind AS 12 Income Taxes in response to the OECD's BEPS Pillar Two rules and include:

- A mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and
- Disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date.

The mandatory temporary exception – the use of which is required to be disclosed – applies immediately. The remaining disclosure requirements apply for annual reporting periods beginning on or after 1 April 2025, but not for any interim periods ending on or before 31 March 2026.

The amendments had no impact on the Company's financial statements as the Company is not in scope of the Pillar Two model rules.

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## Standards notified but not yet effective

The new and amended standards that are notified by the Ministry of Corporate Affairs (MCA), but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company will adopt these amendments to the standards, when they become effective.

## Amendments to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

In accordance with Ind AS 1 currently applicable, breach of an immaterial covenant is ignored deciding in current vs. non-current classification of liabilities. Also, in case of breach of a material covenant of a non-current loan on or before the reporting date, the entity can obtain waiver from the lender after the

reporting date and continue to classify the loan as non-current liability.

In accordance with changes to Ind AS 1 already notified by the MCA, the above relaxations to classify loan as non-current liability will not be available from FY 2026-27 onward and need to be applied retrospectively.

## Consequently:

- A breach of either material or immaterial covenant will trigger current classification of liability.
- To continue classifying loan as non-current liability, entities will need to obtain waiver from the breach on or before the reporting date.

The Company is currently assessing the impact the amendments will have on its financial statements.

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 4 Cash and cash equivalents (measured at amortised cost)

Particulars	As at 31 March 2026	As at 31 March 2025
Cash on hand	285.61	407.25
Balances with banks		
In current accounts	53,379.80	46,380.65
In deposit accounts (Original maturity less than three months) (refer Note 4A)	28,264.94	7,033.95
	<b>81,930.35</b>	<b>53,821.85</b>

**Note 4A-** Represents short-term deposits made for varying periods between one day and three months depending on the immediate cash requirements of the Company, and earn interest at the respective short term deposit rates.

**Note 4B-** The Company had available undrawn committed borrowings of INR 48,712.00 lakhs as at 31 March 2026 (as at 31 March 2025: INR 32,648.06 lakhs) from Banks and Financial Institutions.

## 5 Bank balances other than cash and cash equivalents (measured at amortised cost)

Particulars	As at 31 March 2026	As at 31 March 2025
In deposit accounts (Original maturity more than three months)	40,293.10	36,764.57
In earmarked bank accounts		
- Deposits with Banks to the extent held as margin money or security against the borrowings, guarantee and other commitments (refer 5A below)	7,612.14	5,148.34
- Unspent CSR amount in relation to ongoing projects (refer 5B below)	235.61	28.06
	<b>48,140.85</b>	<b>41,940.97</b>

5A As at 31 March 2026, deposits amounting to INR 7,612.14 lakhs (INR 5,148.34 as at 31 March 2025) have been provided as credit enhancement for securitisation transactions.

5B As at 31 March 2024, an amount of INR 151.30 lakhs was recognised as shortfall towards the ongoing project approved by the CSR Committee and Board of Directors meeting held on 23 November 2023 and 24 November 2023 respectively. On 03 April 2024, this unspent amount was transferred to a Designated Unspent Corporate Social Responsibility Account with a scheduled commercial bank as per circular E-file no.CSR-05/01/2021-CSR-MCA dated 25 August 2021 and subsequently out of funds in this earmarked bank account, INR 123.24 lakhs was incurred by the trust towards the ongoing project during the year. Balance of INR 28.06 lakhs was still lying in the Designated Unspent Corporate Social Responsibility Account with scheduled commercial bank as at 31 March 2025. Subsequently, during the financial year ended 31 March 2026, the balance INR 28.06 lakhs was spent by the trust.

During the Financial Year ended 31 March 2025, the company has transferred INR 475.70 lakhs to Veritas Foundation out of which the foundation has utilised INR 118 lakhs as at March 31, 2025. The balance unspent CSR amount of INR 357.70 lakhs as at 31 March 2025 identified towards ongoing project has been subsequently transferred to a Designated Unspent Corporate Social Responsibility Account with scheduled commercial bank as per circular E-file no.CSR-05/01/2021-CSR-MCA dated 25 August 2021. Further, during the financial year ended 31 March 2026, INR 122.09 lakhs was transferred to the Veritas Foundation and balance of INR 235.61 lakhs as at 31 March 2026 is maintained in the Designated Unspent Corporate Social Responsibility Account with scheduled commercial bank

## 6 Derivative financial instruments

Particulars	As at 31 March 2026	As at 31 March 2025
<b>Asset</b>		
<b>Currency derivative (refer Note 39) - measured at FVOCI</b>		
Foreign exchange forward contracts	1,249.87	-
	<b>1,249.87</b>	<b>-</b>

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 7 Other receivables

Particulars	As at 31 March 2026	As at 31 March 2025
Considered Good - Unsecured	81.14	38.05
Less: Impairment Loss Allowance	-	-
	<b>81.14</b>	<b>38.05</b>

7A Other receivables includes receivables against advertisement services.

7B There are no other receivables that are due from Directors or other officers of the Company either severally or jointly with any other person nor any other receivable are due from firms including limited liability partnerships (LLPs), private companies respectively in which any director is a partner, or a director or a member.

## 8 Loans

Particulars	As at 31 March 2026	As at 31 March 2025
At Amortised cost		
<b>A Based on nature</b>		
Term Loans	9,13,429.27	7,34,864.29
Less: Impairment loss allowance	(20,086.77)	(16,076.48)
<b>Total (A) Net</b>	<b>8,93,342.50</b>	<b>7,18,787.81</b>
<b>B Based on security</b>		
(i) Secured (refer note 8.1)		
Secured by tangible assets	8,60,935.67	6,78,345.69
Less: Impairment loss allowance	(17,665.99)	(12,153.72)
<b>Total (B) (i) Net</b>	<b>8,43,269.68</b>	<b>6,66,191.97</b>
(ii) Unsecured (refer note 8.2)		
Unsecured loans	52,493.60	56,518.60
Less: Impairment loss allowance	(2,420.78)	(3,922.76)
<b>Total (B) (ii) Net</b>	<b>50,072.82</b>	<b>52,595.84</b>
<b>Total (B) Net</b>	<b>8,93,342.50</b>	<b>7,18,787.81</b>
<b>C Based on region</b>		
(I) Loans in India		
(i) Public Sector	-	-
(ii) Others	9,13,429.27	7,34,864.29
Less: Impairment loss allowance	(20,086.77)	(16,076.48)
<b>Total (C) Net</b>	<b>8,93,342.50</b>	<b>7,18,787.81</b>
(II) Loans outside India		
Loans outside India	-	-
	<b>8,93,342.50</b>	<b>7,18,787.81</b>

8.1 Secured indicates loans secured by way of mortgage of immovable property or hypothecation of vehicles.

8.2 Unsecured loans includes loans amounting to INR 7,463.38 lakhs as at 31 March 2026 (INR 4,837.28 lakhs as at 31 March 2025) where security creation is in process.

8.3 No loans are granted to the directors, Key Managerial Personnel (KMP) and related parties (as defined under Companies Act, 2013)

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 8.4 Analysis of changes in the gross carrying amount and the corresponding ECL allowances:

### Gross carrying amount - loans

Particulars	As at 31 March 2026				As at 31 March 2025			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Gross carrying amount opening balance</b>	<b>7,06,487.39</b>	<b>12,169.21</b>	<b>16,207.69</b>	<b>7,34,864.29</b>	<b>5,53,807.78</b>	<b>8,311.19</b>	<b>10,259.77</b>	<b>5,72,378.74</b>
New assets originated/ increase in existing assets (Net)	4,20,159.40	367.67	455.62	4,20,982.69	3,52,334.34	1,505.64	1,345.62	3,55,185.60
Exposure de-recognised/ matured/repaid	(2,19,486.85)	(2,698.17)	(1,020.14)	(2,23,205.16)	(1,73,783.12)	(2,060.37)	(2,152.96)	(1,77,996.45)
Transfer to stage 1	1,166.00	(970.03)	(195.97)	-	1,527.92	(1,406.70)	(121.22)	-
Transfer to stage 2	(13,439.52)	13,464.76	(25.24)	-	(12,445.48)	12,464.64	(19.16)	-
Transfer to stage 3	(13,583.80)	(4,515.31)	18,099.11	-	(11,020.78)	(2,059.72)	13,080.50	-
Impact on account of exposures transferred during year between stages	(399.61)	(1,969.76)	(338.68)	(2,708.05)	(496.74)	(2,871.55)	(551.91)	(3,920.20)
Write off	(3,745.17)	(2,216.84)	(10,542.49)	(16,504.50)	(3,436.53)	(1,713.92)	(5,632.95)	(10,783.40)
<b>Gross carrying amount closing balance</b>	<b>8,77,157.84</b>	<b>13,631.53</b>	<b>22,639.90</b>	<b>9,13,429.27</b>	<b>7,06,487.39</b>	<b>12,169.21</b>	<b>16,207.69</b>	<b>7,34,864.29</b>

### Reconciliation of ECL balance is given below:

#### Impairment loss allowance - loans

Particulars	As at 31 March 2026				As at 31 March 2025			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Impairment loss allowance - Opening balance</b>	<b>5,388.86</b>	<b>2,498.96</b>	<b>8,188.66</b>	<b>16,076.48</b>	<b>2,329.99</b>	<b>1,142.14</b>	<b>5,451.64</b>	<b>8,923.77</b>
New assets originated/ increase in existing assets (Net)	4,946.81	130.90	1,365.03	6,442.74	4,286.17	336.31	945.24	5,567.72
Exposure de-recognised/ matured/repaid	(1,923.33)	(250.66)	(48.28)	(2,222.27)	(1,070.72)	(172.33)	(61.20)	(1,304.25)
Transfer to stage 1	209.68	(150.02)	(59.66)	-	228.02	(177.44)	(50.58)	-
Transfer to stage 2	(183.28)	189.66	(6.38)	-	(60.55)	69.69	(9.14)	-
Transfer to stage 3	(279.53)	(1,144.85)	1,424.38	-	(58.30)	(326.72)	385.02	-
Impact on account of exposures transferred during the year between stages	(196.85)	1,701.63	5,966.95	7,471.73	(216.73)	2,005.21	5,121.05	6,909.53
Write off	(290.79)	(713.52)	(6,677.60)	(7,681.91)	(49.02)	(377.90)	(3,593.37)	(4,020.29)
<b>Impairment loss allowance - Closing balance</b>	<b>7,671.57</b>	<b>2,262.10</b>	<b>10,153.10</b>	<b>20,086.77</b>	<b>5,388.86</b>	<b>2,498.96</b>	<b>8,188.66</b>	<b>16,076.48</b>

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 9 Investments

Particulars	As at 31 March 2026	As at 31 March 2025
<b>Investments (At fair value through profit or loss)</b>		
Investment in mutual funds	10,006.90	12,020.19
<b>Investments</b>	<b>10,006.90</b>	<b>12,020.19</b>
<b>Investments (At amortised cost)</b>		
Investment in Government securities	6,020.35	5,049.32
Less: Impairment Loss on Investment in Government securities	-	-
	<b>6,020.35</b>	<b>5,049.32</b>
Investment outside India	-	-
Investments in India	16,027.25	17,069.51
<b>Gross investments</b>	<b>16,027.25</b>	<b>17,069.51</b>
Aggregate book value of quoted investments	16,027.25	17,069.51
Aggregate market value of quoted investments	15,974.80	17,162.24
Aggregate value of unquoted investments	-	-

The Company held investments in mutual funds during the financial year. The realised and unrealised gains earned are disclosed in the profit and loss statement under "Net gain / (loss) on fair value changes" and the cash proceeds/ outflow are disclosed in the Statement of cash flows under "Cash flows from investing activities".

## 10 Other financial assets (at amortised cost)

Particulars	As at 31 March 2026	As at 31 March 2025
Unsecured, considered good		
Security deposits	2,980.55	2,952.86
Excess Interest spread on derecognition of financial assets	3,289.16	1,575.75
Others*	426.64	1,245.84
<b>Total</b>	<b>6,696.35</b>	<b>5,774.45</b>
Unsecured, considered doubtful		
Security deposits	3.57	-
<b>Total</b>	<b>3.57</b>	<b>-</b>
<b>Total Gross</b>	<b>6,699.92</b>	<b>5,774.45</b>
Less : Impairment Loss on security deposits and excess interest spread on derecognition of financial assets	(26.75)	(16.15)
<b>Total Net</b>	<b>6,673.17</b>	<b>5,758.30</b>

\* Others include amount receivable from payment aggregators and prepayments made to lenders prior to due dates.

### 10.1 Analysis of changes in the gross carrying amount and the corresponding ECL allowance in relation to Impairment Loss on other financial assets

Particulars	As at 31 March 2026			
	Stage 1	Stage 2	Stage 3	Total
<b>As at the beginning of the year</b>	<b>5,764.60</b>	<b>1.50</b>	<b>8.34</b>	<b>5,774.45</b>
New assets originated/ increase in existing assets (Net)	2,702.34	-	-	2,702.34
Exposure de-recognised/matured/repaid	(1,759.89)	(8.97)	(8.01)	(1,776.87)
Transfer to stage 1	-	-	-	-
Transfer to stage 2	(25.11)	25.11	-	-
Transfer to stage 3	(10.29)	-	10.29	-
Impact on account of exposures transferred during year between stages	-	-	-	-
Write offs	-	-	-	-
<b>As at the end of the year</b>	<b>6,671.66</b>	<b>17.64</b>	<b>10.62</b>	<b>6,699.92</b>

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

Particulars	As at 31 March 2025			Total
	Stage 1	Stage 2	Stage 3	
<b>As at the beginning of the year</b>	<b>2,352.33</b>	<b>10.60</b>	<b>12.10</b>	<b>2,375.03</b>
New assets originated/ increase in existing assets (Net)	3,511.11	-	-	3,511.11
Exposure de-recognised/matured/repaid	(107.42)	-	(4.27)	(111.69)
Transfer to stage 1	15.89	(10.60)	(5.29)	-
Transfer to stage 2	(1.50)	1.50	-	-
Transfer to stage 3	(5.80)	-	5.80	-
Impact on account of exposures transferred during year between stages	-	-	-	-
Write offs	-	-	-	-
<b>As at the end of the year</b>	<b>5,764.60</b>	<b>1.50</b>	<b>8.34</b>	<b>5,774.45</b>

## Reconciliation of ECL Balance

Particulars	As at 31 March 2026			Total
	Stage 1	Stage 2	Stage 3	
<b>Impairment loss allowance</b>	<b>7.62</b>	<b>0.15</b>	<b>8.37</b>	<b>16.15</b>
<b>As at the beginning of the year</b>	<b>10.20</b>	<b>-</b>	<b>-</b>	<b>10.20</b>
New assets originated/ increase in existing assets (Net)	10.20	-	-	10.20
Exposure de-recognised/matured/repaid	(0.83)	(0.15)	(4.81)	(5.79)
Transfer to stage 1	-	-	-	-
Transfer to stage 2	(0.10)	0.10	-	-
Transfer to stage 3	(0.04)	-	0.04	-
Impact on account of exposures transferred during year between stages	-	2.10	4.10	6.20
Write offs	-	-	-	-
<b>As at the end of the year</b>	<b>16.85</b>	<b>2.20</b>	<b>7.70</b>	<b>26.75</b>

Particulars	As at 31 March 2025			Total
	Stage 1	Stage 2	Stage 3	
<b>Impairment loss allowance</b>	<b>4.18</b>	<b>1.06</b>	<b>12.13</b>	<b>17.37</b>
<b>As at the beginning of the year</b>	<b>3.86</b>	<b>0.14</b>	<b>5.78</b>	<b>9.78</b>
New assets originated/ increase in existing assets (Net)	3.86	0.14	5.78	9.78
Exposure de-recognised/matured/repaid	(6.73)	-	(4.27)	(11.00)
Transfer to stage 1	6.35	(1.06)	(5.29)	-
Transfer to stage 2	(0.01)	0.01	-	-
Transfer to stage 3	(0.02)	-	0.02	-
Impact on account of exposures transferred during year between stages	-	-	-	-
Write offs	-	-	-	-
<b>As at the end of the year</b>	<b>7.62</b>	<b>0.15</b>	<b>8.37</b>	<b>16.15</b>

## 11 Current tax assets (net)

Particulars	As at 31 March 2026	As at 31 March 2025
Advance income tax (net of provisions)	361.89	251.80
<b>Total</b>	<b>361.89</b>	<b>251.80</b>

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 12 Deferred tax assets (net)

The following table shows deferred tax recorded in the balance sheet and changes recorded in the income tax expenses:

Components of deferred tax asset/ liability	As at 31 March 2025	Statement of profit and loss	Other comprehensive income	As at 31 March 2026
<b>Deferred Tax Asset:</b>				
Difference in depreciation as per Books of Accounts and Income Tax Act, 1961	259.15	91.01	-	350.16
Impairment allowance for financial instruments	4,063.46	1,011.46	-	5,074.92
Provision for compensated absences and gratuity	725.73	290.12	57.22	1,073.07
Impact of effective interest rate adjustment on financial instruments	2,642.14	596.31	-	3,238.45
Derivative asset	-	-	26.35	26.35
Recognition of lease liabilities	758.21	(88.65)	-	669.56
<b>Total (A)</b>	<b>8,448.69</b>	<b>1,900.24</b>	<b>83.57</b>	<b>10,432.51</b>
<b>Deferred Tax Liabilities:</b>				
Impact of effective interest rate adjustment on financial instruments	722.74	182.92	-	905.66
Provision for compensated absences and gratuity	-	-	-	-
Unrealised gain on mutual fund investments	5.24	(2.97)	-	2.27
Recognition of right of use asset	675.94	(68.64)	-	607.30
Provisions for Bad and Doubtful Debts under Sec 36(1) (viiia)	635.26	(139.56)	-	495.70
<b>Total (B)</b>	<b>2,039.19</b>	<b>(28.26)</b>	-	<b>2,010.93</b>
<b>Net Deferred Tax Asset (A-B)</b>	<b>6,409.50</b>	<b>1,928.50</b>	<b>83.57</b>	<b>8,421.57</b>

Components of deferred tax asset/ liability	As at 31 March 2024	Statement of profit and loss	Other comprehensive income	As at 31 March 2025
<b>Deferred Tax Asset:</b>				
Difference in depreciation as per Books of Accounts and Income Tax Act, 1961	198.31	60.84	-	259.15
Impairment allowance for financial instruments	2,429.17	1,634.29	-	4,063.46
Provision for compensated absences and gratuity	514.38	113.15	98.20	725.73
Impact of effective interest rate adjustment on financial instruments	2,362.66	279.48	-	2,642.14
Recognition of lease liabilities	789.65	(31.45)	-	758.21
<b>Total (A)</b>	<b>6,294.16</b>	<b>2,056.31</b>	<b>98.20</b>	<b>8,448.69</b>
<b>Deferred Tax Liabilities:</b>				
Impact of effective interest rate adjustment on financial instruments	763.03	(40.29)	-	722.74
Provision for compensated absences and gratuity	14.71	(14.71)	-	-
Unrealised gain on mutual fund investments	-	5.24	-	5.24
Recognition of right of use asset	706.98	(31.04)	-	675.94
Provisions for Bad and Doubtful Debts under Sec 36(1) (viiia)	668.16	(32.89)	-	635.26
<b>Total (B)</b>	<b>2,152.88</b>	<b>(113.69)</b>	-	<b>2,039.19</b>
<b>Net Deferred Tax Asset (A-B)</b>	<b>4,141.29</b>	<b>2,170.00</b>	<b>98.20</b>	<b>6,409.50</b>

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 13.1 Property, plant and equipment (including Right of Use Asset)

Particulars	Property, plant and equipment						Right of Use Asset			Total
	Leasehold Improvements	Furniture and fixtures	Office equipments	Computers and accessories	Vehicles	Sub total	Buildings	Furniture and fixtures	Sub total	
<b>Deemed cost</b>										
<b>Balance as at 31 March 2024</b>	<b>1,055.22</b>	<b>590.35</b>	<b>295.11</b>	<b>1,816.58</b>	<b>636.16</b>	<b>4,393.41</b>	<b>4,932.28</b>	<b>115.12</b>	<b>5,047.40</b>	<b>9,440.82</b>
Add:	69.07	97.70	32.00	375.85	187.96	762.57	1,661.84	-	1,661.84	2,424.41
Additions										
Less:	-	(3.35)	(10.78)	(204.65)	(86.96)	(305.74)	(1,100.22)	-	(1,100.22)	(1,405.96)
Disposals										
<b>Balance as at 31 March 2025</b>	<b>1,124.29</b>	<b>684.70</b>	<b>316.32</b>	<b>1,987.78</b>	<b>737.15</b>	<b>4,850.24</b>	<b>5,493.91</b>	<b>115.12</b>	<b>5,609.03</b>	<b>10,459.27</b>
<b>2025</b>										
Add:	70.23	25.62	22.04	195.00	133.64	446.53	1,563.88	0.23	1,564.11	2,010.64
Additions										
Less:	(5.14)	(5.82)	(6.02)	(188.29)	(56.80)	(262.07)	(1,814.15)	(115.35)	(1,929.50)	(2,191.57)
Disposals										
<b>Balance as at 31 March 2026</b>	<b>1,189.38</b>	<b>704.50</b>	<b>332.33</b>	<b>1,994.49</b>	<b>813.99</b>	<b>5,034.71</b>	<b>5,243.64</b>	<b>-</b>	<b>5,243.64</b>	<b>10,278.35</b>
<b>Accumulated depreciation</b>										
<b>Balance as at 31 March 2024</b>	<b>661.61</b>	<b>488.59</b>	<b>172.30</b>	<b>1,077.95</b>	<b>179.37</b>	<b>2,579.81</b>	<b>2,196.16</b>	<b>42.18</b>	<b>2,238.35</b>	<b>4,818.15</b>
Add:	216.54	100.48	41.34	397.76	136.92	893.05	1,589.11	36.47	1,625.58	2,518.63
Depreciation for the period										
Less: On	-	(3.35)	(9.62)	(188.80)	(33.78)	(235.55)	(940.60)	-	(940.60)	(1,176.15)
Disposals										
<b>Balance as at 31 March 2025</b>	<b>878.15</b>	<b>585.72</b>	<b>204.02</b>	<b>1,286.90</b>	<b>282.51</b>	<b>3,237.29</b>	<b>2,844.67</b>	<b>78.65</b>	<b>2,923.33</b>	<b>6,160.62</b>
<b>2025</b>										
Add:	189.80	43.65	40.38	394.10	148.34	816.27	1,701.41	36.40	1,737.81	2,554.08
Additions										
Less:	(5.14)	(5.81)	(5.76)	(176.80)	(30.50)	(224.01)	(1,688.77)	(115.05)	(1,803.82)	(2,027.83)
Disposals										
<b>Balance as at 31 March 2026</b>	<b>1,062.80</b>	<b>623.56</b>	<b>238.64</b>	<b>1,504.20</b>	<b>400.35</b>	<b>3,829.55</b>	<b>2,857.31</b>	<b>-</b>	<b>2,857.31</b>	<b>6,686.86</b>
<b>Net block</b>										
<b>As at 31 March 2025</b>	<b>246.14</b>	<b>98.98</b>	<b>112.30</b>	<b>700.87</b>	<b>454.65</b>	<b>1,612.94</b>	<b>2,649.24</b>	<b>36.47</b>	<b>2,685.71</b>	<b>4,298.65</b>
<b>As at 31 March 2026</b>	<b>126.58</b>	<b>80.94</b>	<b>93.69</b>	<b>490.29</b>	<b>413.64</b>	<b>1,205.16</b>	<b>2,386.33</b>	<b>-</b>	<b>2,386.33</b>	<b>3,591.49</b>

Also refer note 18.1

- 1) All the Lease agreements are in the name of the Company.
- 2) The Company has elected to include ROU assets pertaining to lease of buildings, furniture & fixtures as part of the Property, plant and equipment as permitted under paragraph 47(a) of Ind AS 116.
- 3) On transition to Ind AS (i.e. 1 April 2015), the Company has elected to continue with the carrying value of all Property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of Property, plant and equipment.

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 13.2 Intangible assets under development

Particulars	Software under development	Total
<b>Balance as at 31 March 2024</b>	<b>49.05</b>	<b>49.05</b>
Add: Additions	203.55	203.55
Less: Capitalized during the year	(88.90)	(88.90)
<b>Balance as at 31 March 2025</b>	<b>163.70</b>	<b>163.70</b>
Add: Additions	97.62	97.62
Less: Capitalized during the year	(227.27)	(227.27)
<b>Balance as at 31 March 2026</b>	<b>34.05</b>	<b>34.05</b>

### Intangible assets under development - Ageing Schedule

#### Balance as at 31 March 2026

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	20.42	-	-	-	20.42
Projects temporarily suspended	-	8.18	5.45	-	13.63
<b>Total</b>	<b>20.42</b>	<b>8.18</b>	<b>5.45</b>	<b>-</b>	<b>34.05</b>

#### Balance as at 31 March 2025

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	131.00	32.70	-	-	163.70
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>131.00</b>	<b>32.70</b>	<b>-</b>	<b>-</b>	<b>163.70</b>

There are no project whose completion is overdue or has exceeded its cost compared to its original plan during the financial year ended 31 March 2026 and 31 March 2025.

## 13.3 Other Intangible assets

Particulars	Computer Softwares	Total
<b>Deemed cost*</b>		
<b>Balance as at 31 March 2024</b>	<b>2,009.92</b>	<b>2,009.92</b>
Add: Additions	262.41	262.41
Less: Disposals	-	-
<b>Balance as at 31 March 2025</b>	<b>2,272.33</b>	<b>2,272.33</b>
Add: Additions	315.07	315.07
Less: Disposals	-	-
<b>Balance as at 31 March 2026</b>	<b>2,587.40</b>	<b>2,587.40</b>
<b>Accumulated amortization</b>		
<b>Balance as at 31 March 2024</b>	<b>1,170.24</b>	<b>1,170.24</b>
Add: Amortisation for the year	370.73	370.73
Less: On Disposals	-	-
<b>Balance as at 31 March 2025</b>	<b>1,540.97</b>	<b>1,540.97</b>
Add: Amortisation for the year	468.24	468.24
Less: On Disposals	-	-
<b>Balance as at 31 March 2026</b>	<b>2,009.21</b>	<b>2,009.21</b>
<b>Net block</b>		
<b>As at 31 March 2025</b>	<b>731.36</b>	<b>731.36</b>
<b>As at 31 March 2026</b>	<b>578.19</b>	<b>578.19</b>

\*On transition to Ind AS (i.e. 01 April 2015), the Company has elected to continue with the carrying value of all intangible assets measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 14 Other non-financial assets

Particulars	As at 31 March 2026	As at 31 March 2025
<b>Considered good, unsecured</b>		
Capital and other advances	267.07	161.61
Prepaid expenses	630.37	491.71
Share issue expenses*	2,035.19	1,637.83
<b>Total</b>	<b>2,932.63</b>	<b>2,291.15</b>

\*Share issue expenses as at March 31, 2026 includes amount incurred by the Company towards the proposed initial public offering of equity shares of the Company. The Company expects to recover certain amounts from the selling shareholders and the balance amount would be charged - off to securities premium account in accordance with Section 52 of the Companies Act, 2013 upon equity shares being issued. This includes INR 335.18 lakhs paid/ payable to the statutory auditors (excluding taxes) of the Company.

## 15 Trade Payables (refer note 15.1)

Particulars	As at 31 March 2026	As at 31 March 2025
- Total outstanding dues of micro enterprises and small enterprises (refer note 41)	218.81	144.16
- Total outstanding dues of creditors other than micro enterprises and small enterprises	1,185.06	474.36
<b>Total</b>	<b>1,403.87</b>	<b>618.52</b>

Also refer note 40 for related party transactions

### 15.1 Trade payables (Ageing Schedule)

The following schedules reflect ageing of trade payables with respect to the date of transactions

#### As at 31 March 2026

Ageing for trade payables with due date:

Particulars	Outstanding for the following periods from the due date of payment					Total
	Current but not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	51.01	-	-	-	-	51.01
(ii) Others	33.42	-	-	-	-	33.42
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>84.43</b>	-	-	-	-	<b>84.43</b>

Ageing for trade payables without due date:

Particulars	Outstanding for the following periods from the due date of payment					Total
	Unbilled and not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	56.53	111.29	-	-	-	167.82
(ii) Others	801.29	350.33	-	-	-	1,151.62
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>857.82</b>	<b>461.62</b>	-	-	-	<b>1,319.44</b>

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 15 Trade Payables (refer note 15.1)(Contd..)

As at 31 March 2025

Ageing for trade payables with due date:

Particulars	Outstanding for the following periods from the due date of payment					Total
	Current but not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	58.85	-	-	-	-	58.84
(ii) Others	34.82	-	-	-	-	34.82
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>93.67</b>	-	-	-	-	<b>93.67</b>

Ageing for trade payables without due date:

Particulars	Outstanding for the following periods from the due date of payment					Total
	Unbilled and not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	32.50	52.81	-	-	-	85.31
(ii) Others	407.63	31.91	-	-	-	439.54
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>440.13</b>	<b>84.72</b>	-	-	-	<b>524.85</b>

## 16 Debt securities (refer note 16.1)

Particulars	As at 31 March 2026	As at 31 March 2025
At amortised cost		
<b>Secured:</b>		
Non-convertible debentures	95,585.28	56,830.92
<b>Total</b>	<b>95,585.28</b>	<b>56,830.92</b>
Debt securities in India	80,239.46	41,410.98
Debt securities outside India	15,345.82	15,419.94
	<b>95,585.28</b>	<b>56,830.92</b>

### 16.1 Details of terms of redemption / repayment and security provided in respect of debt securities:

Particulars	Terms of redemption	Security	Earliest instalment date	As at 31 March 2026	As at 31 March 2025
Series 15 redeemable non-convertible debentures of INR 1 lakh each	Repayment Terms: Principal annually (3 instalments), Semi-annually (1 instalment) and Interest Monthly. Tenor: 42 Months. Maturity Date: 25-Jun-27	11 times	26-Dec-24	2,746.54	4,113.03
Series 16 redeemable non-convertible debentures of INR 1 lakh each	Repayment Terms: Principal once every 16 months and Interest Monthly. Tenor: 48 Months. Maturity Date: 28-Mar-28	1 time	28-Jul-25	4,971.46	7,444.41
Series 14 redeemable non-convertible debentures of INR 10 lakhs each	Repayment Terms: Principal at maturity and Interest Semi-Annually. Tenor: 72 Months. Maturity Date: 23-Jun-28	1 time	23-Jun-28	15,345.82	15,419.94

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 16 Debt securities (refer note 16.1)(Contd..)

Particulars	Terms of redemption	Security	Earliest instalment date	As at 31 March 2026	As at 31 March 2025
Series 17 redeemable non-convertible debentures of INR 1 lakh each	Repayment Terms: Principal at maturity and Interest Monthly. Tenor: 48 Months. Maturity Date: 27-Jun-28	1.1 times	27-Jun-28	9,944.52	9,914.49
Series 18B redeemable non-convertible debentures of INR 1 lakh each	Repayment Terms: Principal at maturity and Interest Quarterly. Tenor: 36 Months. Maturity Date: 13-Nov-27	1 time	13-Nov-27	5,030.37	5,009.60
Series 19B redeemable non-convertible debentures of INR 1 lakh each	Repayment Terms: Principal at maturity and Interest Quarterly. Tenor: 36 Months. Maturity Date: 21-Feb-28	1 time	21-Feb-28	5,012.91	4,995.24
Series 18A redeemable non-convertible debentures of INR 1 lakh each	Repayment Terms: Principal at maturity and Interest Quarterly. Tenor: 48 Months. Maturity Date: 13-Nov-28	1 time	13-Nov-28	4,997.50	4,975.00
Series 19A redeemable non-convertible debentures of INR 1 lakh each	Repayment Terms: Principal at maturity and Interest Quarterly. Tenor: 48 Months. Maturity Date: 21-Feb-29	1 time	21-Feb-29	4,981.72	4,959.21
Series 20A redeemable non-convertible debentures of INR 1 lakh each	Repayment Terms: Principal Annually with one Year Moratorium and Interest Quarterly. Tenor: 48 Months. Maturity Date: 19-Sept-2029	1.1 times	17-Sep-27	14,966.04	-
Series 20B redeemable non-convertible debentures of INR 1 lakh each	Repayment Terms: Principal Payable on Quarterly Basis Starting from Dec 2028 and Interest Quarterly. Tenor: 48 Months. Maturity Date: 19-Sept-2029	1.1 times	19-Dec-28	7,465.60	-
Series 21 redeemable non-convertible debentures of INR 1 lakh each	Repayment Terms: Principal Annually with one Year Moratorium and Interest Quarterly. Tenor: 48 Months. Maturity Date: 05-Feb-2030	1.1 times	05-Feb-28	20,122.80	-
<b>Total</b>				<b>95,585.28</b>	<b>56,830.92</b>

Notes:

- The range of interest rates for the debt securities is 8.80% p.a to 10.88% p.a. (31 March 2025 : 9.65% p.a to 13.24% p.a.)
- All the NCDs issued by the company are secured by exclusive charge on specific receivables of the company by way of hypothecation with security cover to the extent of 1.00 times to 1.10 times of both the principal and the interest accrued on the NCDs at any point in time. The average security cover provided for these listed NCDs is at 1.09 times of the principal and interest amount outstanding as at 31 March 2026 (1.07 times as at 31 March 2025)
- Interest for the above outstanding NCDs are payable on Monthly/ Quarterly / Semi-annually.
- The principal repayment for the NCDs is on the date of maturity / annually/ semi annually/ amortisation or upon exercise of the option.
- The quarterly returns/statements of current assets filed by the Company, whenever applicable, are in agreement with the books of accounts.
- The Company has used the proceeds of NCDs for the purpose for which they have been borrowed.

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 17 Borrowings (Other than debt securities) (refer note 17.1)

Particulars		As at 31 March 2026	As at 31 March 2025
<b>At amortised cost</b>			
<b>(A) Term loans (secured)</b>			
From banks			
Rupee loans		4,70,907.79	3,83,820.52
Foreign currency loans		28,558.33	-
From other financial institutions		59,473.16	44,006.86
	<b>(A)</b>	<b>5,58,939.28</b>	<b>4,27,827.38</b>
<b>(B) Borrowings under securitisation (secured)</b>		80,985.14	77,667.23
	<b>(B)</b>	<b>80,985.14</b>	<b>77,667.23</b>
<b>(C) Loans repayable on demand (secured)</b>			
From banks		1,900.00	598.67
	<b>(C)</b>	<b>1,900.00</b>	<b>598.67</b>
<b>Total</b>	<b>(A+B+C)</b>	<b>6,41,824.42</b>	<b>5,06,093.28</b>
Borrowings in India		6,41,824.42	5,06,093.28
Borrowings outside India		-	-
<b>Total</b>		<b>6,41,824.42</b>	<b>5,06,093.28</b>

Notes:

- Loans repayable on demand from banks includes cash credit facilities which are secured by specific charge on loans. The range of interest rates across the facilities is 7.50% p.a. to 10.40% p.a. (31 March 2025 : 8.85% p.a. to 12.82%p.a.)
- Borrowings under securitisation represents the net outstanding value (net of investment in pass through certificates) of the proceeds received by the Company from securitisation trust in respect of loan assets transferred by the Company pursuant to Deed of Assignment. The Company has provided credit enhancement to the trust by way of cash collateral. Also refer note 47B(5) for details of securitisation.
- The quarterly returns/statements of current assets filed by the Company with the banks or financial institutions in relation to the secured borrowings wherever applicable, are in agreement with the books of account.
- The Company has utilised the funds raised from banks and financial institutions for the specific purpose for which they were borrowed.

### 17.1 Details of terms of redemption / repayment and security provided in respect of Borrowings (Other than debt securities):

Particulars	Security	Terms of redemption	Earliest instalment date	As at 31 March 2026	As at 31 March 2025
Term loans from Banks- Rupee loans:					
Term Loan 1	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 60 Months Maturity Date: 29-Sep-25	30-Oct-20	-	151.48
Term Loan 2	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly (3months Moratorium). Tenor: 60 months Date: 28-Feb-26	31-Mar-21	-	960.38
Term Loan 3	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly (3months Moratorium). Tenor: 60 months Maturity Date: 03-Feb-26	03-Jun-21	-	188.21
Term Loan 4	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Quarterly, Interest Monthly. Tenor: 48 months Maturity Date: 05-Apr-25	05-Jul-21	-	283.27

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 17 Borrowings (Other than debt securities) (refer note 17.1)(Contd..)

Particulars	Security	Terms of redemption	Earliest instalment date	As at 31 March 2026	As at 31 March 2025
Term Loan 5	First and Exclusive charge on the standard receivables with a security cover of 120%.	Repayment Terms: Principal Monthly, Interest Monthly (3 months moratorium). Tenor: 60 months Maturity Date: 15-Mar-26	15-Jul-21	-	1,060.29
Term Loan 6	First and Exclusive charge on the standard receivables with a security cover of 120%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 48 months Maturity Date: 30-Jun-25	31-Jul-21	-	62.23
Term Loan 7	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 60 months Maturity Date: 11-Aug-26	11-Sep-21	163.48	563.53
Term Loan 8	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 48 months Maturity Date: 31-Aug-25	30-Sep-21	-	155.62
Term Loan 9	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly (2 months Moratorium). Tenor: 48 months. Maturity Date: 31-Jul-25	31-Oct-21	-	86.95
Term Loan 10	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly (2 months Moratorium). Tenor: 48 months. Maturity Date: 31-Aug-25	30-Nov-21	-	163.02
Term Loan 11	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Quarterly, Interest Monthly. Tenor: 48 months Maturity Date: 05-Sep-25	05-Dec-21	-	163.74
Term Loan 12	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly (2 months Moratorium). Tenor: 48 months. Maturity Date: 14-Sep-25	14-Dec-21	-	391.25
Term Loan 13	First and Exclusive charge on the standard receivables with a security cover of 125%.	Repayment Terms: Principal monthly, Interest Monthly. Tenor: 60 months Maturity Date: 10-Dec-26	10-Jan-22	225.70	525.39
Term Loan 14	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Quarterly, Interest Monthly. Tenor: 45 months Maturity Date: 15-Aug-25	15-Feb-22	-	451.29
Term Loan 15	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly( EMI Basis). Tenor: 60 months Maturity Date: 01-Mar-27	01-Apr-22	368.62	695.74
Term Loan 16	First and Exclusive charge on the standard receivables with a security cover of 125%.	Repayment Terms: Principal monthly, Interest Monthly. Tenor: 60 months Maturity Date: 10-Mar-27	10-Apr-22	200.47	400.03
Term Loan 17	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 60 months Maturity Date: 31-Mar-27	30-Apr-22	987.76	1,987.42
Term Loan 18	First and Exclusive charge on the standard receivables with a security cover of 125%.	Repayment Terms: Principal monthly, Interest Monthly. Tenor: 60 months Maturity Date: 30-Mar-27	30-Apr-22	249.59	498.23

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 17 Borrowings (Other than debt securities) (refer note 17.1)(Contd..)

Particulars	Security	Terms of redemption	Earliest instalment date	As at 31 March 2026	As at 31 March 2025
Term Loan 19	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 60 Months Maturity Date: 30-Mar-27	30-Apr-22	1,000.28	2,000.60
Term Loan 20	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 36 Months Maturity Date: 03-Apr-25	03-May-22	-	84.10
Term Loan 21	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 45 months Maturity Date: 26-Jan-26	28-May-22	-	560.00
Term Loan 22	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly (2 months Moratorium). Tenor: 48 months. Maturity Date: 29-Mar-26	29-Jun-22	-	391.03
Term Loan 23	First and Exclusive charge on the standard receivables with a security cover of 125%.	Repayment Terms: Principal monthly, Interest Monthly. Tenor: 60 months Maturity Date: 30-May-27	30-Jun-22	291.10	539.57
Term Loan 24	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 60 Months Maturity Date: 31-May-27	30-Jun-22	583.50	1,083.66
Term Loan 25	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal monthly, Interest monthly. Tenor: 48 months Maturity Date: 30-Jun-26	30-Jul-22	122.17	621.99
Term Loan 26	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal monthly, Interest Monthly. Tenor: 48 months Maturity Date: 29-Jul-26	29-Aug-22	333.08	1,330.75
Term Loan 27	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 60 Months Maturity Date: 30-Jul-27	31-Aug-22	2,000.56	3,501.05
Term Loan 28	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 48 months Maturity Date: 31-Aug-26	30-Sep-22	518.54	1,760.53
Term Loan 29	First and Exclusive charge on the standard receivables with a security cover of 125%.	Repayment Terms: Principal Monthly, Interest Monthly (6 months moratorium). Tenor: 60 months Maturity Date: 01-Mar-27	01-Oct-22	-	1,062.44
Term Loan 30	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 40 months Maturity Date: 26-Jan-26	28-Oct-22	-	503.62
Term Loan 31	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 48 months Maturity Date: 29-Sep-26	29-Oct-22	368.05	1,121.61
Term Loan 32	First and Exclusive charge on the standard receivables with a security cover of 111%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 36 Months Maturity Date: 30-Sep-25	31-Oct-22	-	832.84
Term Loan 33	First and Exclusive charge on the standard receivables with a security cover of 125%.	Repayment Terms: Principal Monthly, Interest Monthly (6months Moratorium). Tenor: 60 months Maturity Date: 31-Mar-27	31-Oct-22	3,591.15	7,169.88

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for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 17 Borrowings (Other than debt securities) (refer note 17.1)(Contd..)

Particulars	Security	Terms of redemption	Earliest instalment date	As at 31 March 2026	As at 31 March 2025
Term Loan 34	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 36 months Maturity Date: 30-Sep-25	31-Oct-22	-	749.64
Term Loan 35	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 36 Months Maturity Date: 03-Oct-25	03-Nov-22	-	685.47
Term Loan 36	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: 20 Quarterly instalments, Interest Monthly (3months Moratorium). Tenor: 60 months Maturity Date: 30-Sep-27	31-Dec-22	749.53	1,244.07
Term Loan 37	First and Exclusive charge on the standard receivables with a security cover of 120%.	Repayment Terms: Principal Monthly, Interest Monthly (3 months moratorium). Tenor: 60 months Maturity Date: 01-Sep-27	01-Jan-23	1,271.19	2,116.50
Term Loan 38	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 38 months Maturity Date: 26-Jan-26	28-Jan-23	-	816.55
Term Loan 39	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Quarterly, Interest Monthly (3months Moratorium). Tenor: 60 months Maturity Date: 28-Jul-27	01-Feb-23	2,364.40	3,939.35
Term Loan 40	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: 11 Quarterly instalments, Interest Monthly. Tenor: 36 Months Maturity Date: 24-Aug-25	24-Feb-23	-	458.15
Term Loan 41	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 48 months Maturity Date: 31-Jan-27	28-Feb-23	829.40	1,829.51
Term Loan 42	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 60 Months Maturity Date: 30-Jan-28	28-Feb-23	1,833.85	2,834.19
Term Loan 43	First and Exclusive charge on the standard receivables with a security cover of 120%.	Repayment Terms: 57 Monthly instalments, Interest Monthly (3months Moratorium). Tenor: 60 months Maturity Date: 30-Oct-27	28-Feb-23	1,663.57	2,710.68
Term Loan 44	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 36 Months Maturity Date: 09-Feb-26	09-Mar-23	-	1,525.11
Term Loan 45	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 48 months Maturity Date: 13-Feb-27	13-Mar-23	451.81	955.55
Term Loan 46	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 60 Months Maturity Date: 29-Mar-28	29-Apr-23	2,000.56	3,000.90
Term Loan 47	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: 15 Quarterly instalments, Interest Monthly (3months Moratorium). Tenor: 48 months Maturity Date: 31-Oct-26	30-Apr-23	390.27	924.72
Term Loan 48	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 48 months Maturity Date: 30-Mar-27	30-Apr-23	3,776.38	7,540.89

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 17 Borrowings (Other than debt securities) (refer note 17.1)(Contd..)

Particulars	Security	Terms of redemption	Earliest instalment date	As at 31 March 2026	As at 31 March 2025
Term Loan 49	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 60 months Maturity Date: 31-Mar-28	30-Apr-23	1,197.61	1,794.69
Term Loan 50	First and Exclusive charge on the standard receivables with a security cover of 125%.	Repayment Terms: Principal Monthly, Interest Monthly (6months Moratorium). Tenor: 60 months Maturity Date: 31-Oct-27	31-May-23	9,093.36	14,734.08
Term Loan 51	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly (3months Moratorium). Tenor: 36 months Maturity Date: 28-Feb-26	30-Jun-23	-	1,217.40
Term Loan 52	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 48 months Maturity Date: 31-May-27	30-Jun-23	1,451.04	2,686.18
Term Loan 53	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly (3 months moratorium). Tenor: 48 months Maturity Date: 27-Apr-27	30-Jul-23	1,411.46	2,711.29
Term Loan 54	First and Exclusive charge on the standard receivables with a security cover of 125%.	Repayment Terms: Principal Monthly, Interest Monthly (6months Moratorium). Tenor: 60 months Maturity Date: 31-Jan-28	31-Aug-23	2,631.37	3,980.45
Term Loan 55	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 48 months Maturity Date: 27-Sep-27	30-Sep-23	3,889.64	6,625.42
Term Loan 56	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 60 Months Maturity Date: 30-Aug-28	30-Sep-23	2,417.34	3,417.69
Term Loan 57	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 48 months Maturity Date: 31-Aug-27	30-Sep-23	1,760.64	2,993.55
Term Loan 58	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Quarterly, Interest Monthly (3months Moratorium). Tenor: 24 months Maturity Date: 25-Apr-25	26-Oct-23	-	357.05
Term Loan 59	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Quarterly, Interest Monthly (3months Moratorium). Tenor: 60 months Maturity Date: 25-Apr-28	01-Nov-23	4,731.17	6,833.42
Term Loan 60	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly (3 months moratorium). Tenor: 48 months Maturity Date: 21-Aug-27	21-Nov-23	369.02	628.80
Term Loan 61	First and Exclusive charge on the standard receivables with a security cover of 111%.	Repayment Terms: Principal Quarterly, Interest Monthly. Tenor: 60 months Maturity Date: 30-Aug-28	30-Nov-23	2,495.05	3,489.99
Term Loan 62	First and Exclusive charge on the standard receivables with a security cover of 111%.	Repayment Terms: Principal Quarterly, Interest Monthly. Tenor: 60 months Maturity Date: 30-Aug-28	30-Nov-23	2,494.87	3,489.63

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for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 17 Borrowings (Other than debt securities) (refer note 17.1)(Contd..)

Particulars	Security	Terms of redemption	Earliest instalment date	As at 31 March 2026	As at 31 March 2025
Term Loan 63	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal monthly, Interest Monthly. Tenor: 48 months Maturity Date: 30-Oct-27	30-Nov-23	1,974.71	3,217.95
Term Loan 64	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 24 months Maturity Date: 30-Nov-25	31-Dec-23	-	832.81
Term Loan 65	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 48 Months Maturity Date: 29-Dec-27	29-Jan-24	1,303.05	2,055.90
Term Loan 66	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 48 months Maturity Date: 28-Dec-27	29-Jan-24	4,393.84	6,898.93
Term Loan 67	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 48 months Maturity Date: 30-Dec-27	31-Jan-24	1,086.17	1,701.09
Term Loan 68	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Quarterly, Interest monthly. Tenor: 24 months Maturity Date: 29-Oct-25	31-Jan-24	-	937.56
Term Loan 69	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 60 Months Maturity Date: 10-Jan-29	10-Feb-24	2,834.13	3,834.48
Term Loan 70	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 60 Months Maturity Date: 14-Feb-29	14-Mar-24	1,726.68	2,992.14
Term Loan 71	First and Exclusive charge on the standard receivables with a security cover of 115%.	Repayment Terms: 19 equal quarterly instalments, Interest Monthly (3 months moratorium). Tenor: 58 months Maturity Date: 19-Sep-28	19-Mar-24	2,647.33	3,703.97
Term Loan 72	First and Exclusive charge on the standard receivables with a security cover of 115%.	Repayment Terms: 19 equal quarterly instalments, Interest Monthly (3 months moratorium). Tenor: 58 months Maturity Date: 19-Sep-28	19-Mar-24	1,323.83	1,852.11
Term Loan 73	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 60 Months Maturity Date: 26-Feb-29	26-Mar-24	2,917.48	3,917.84
Term Loan 74	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly (2 months moratorium). Tenor: 48 months Maturity Date: 27-Dec-27	27-Mar-24	1,139.14	1,788.04
Term Loan 75	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 48 months Maturity Date: 28-Feb-28	29-Mar-24	4,807.27	7,306.80
Term Loan 76	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 48 months Maturity Date: 29-Feb-28	31-Mar-24	1,188.79	1,803.12
Term Loan 77	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 48 Months Maturity Date: 22-Mar-28	22-Apr-24	1,974.50	2,339.96

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for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 17 Borrowings (Other than debt securities) (refer note 17.1)(Contd..)

Particulars	Security	Terms of redemption	Earliest instalment date	As at 31 March 2026	As at 31 March 2025
Term Loan 78	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Semi Annually, Interest monthly. Tenor: 18 months Maturity Date: 29-Apr-25	29-Apr-24	-	833.84
Term Loan 79	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Quarterly, Interest monthly. Tenor: 24 months Maturity Date: 29-Jan-26	30-Apr-24	-	1,249.72
Term Loan 80	First and Exclusive charge on the standard receivables with a security cover of 125%.	Repayment Terms: Principal Quarterly, Interest Monthly (9months Moratorium). Tenor: 60 months Maturity Date: 31-Jul-28	30-Apr-24	11,158.58	15,520.08
Term Loan 81	First and Exclusive charge on the standard receivables with a security cover of 125%.	Repayment Terms: Principal Quarterly, Interest Monthly (9months Moratorium). Tenor: 60 months Maturity Date: 31-Jul-28	30-Apr-24	13,744.07	19,291.53
Term Loan 82	First and Exclusive charge on the standard receivables with a security cover of 127%.	Repayment Terms: Principal Quarterly, Interest Monthly (9months Moratorium). Tenor: 84 months Maturity Date: 31-Jul-30	30-Apr-24	3,382.54	4,173.62
Term Loan 83	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 60 Months Maturity Date: 29-Apr-29	29-May-24	3,084.20	4,084.54
Term Loan 84	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 60 months Maturity Date: 30-Apr-29	31-May-24	3,666.05	5,656.37
Term Loan 85	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 36 months Maturity Date: 30-Apr-27	31-May-24	1,262.27	2,424.37
Term Loan 86	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Quarterly, Interest Monthly. Tenor: 48 months Maturity Date: 29-Mar-28	29-Jun-24	4,982.33	7,466.55
Term Loan 87	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Semi Annually, Interest monthly. Tenor: 18 months Maturity Date: 30-Jul-25	31-Jul-24	-	499.98
Term Loan 88	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Semi Annually, Interest monthly. Tenor: 18 months Maturity Date: 30-Jul-25	31-Jul-24	-	333.32
Term Loan 89	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal monthly, Interest Monthly. Tenor: 60 months Maturity Date: 30-Jul-29	30-Aug-24	1,995.77	2,592.97
Term Loan 90	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 84 Months Maturity Date: 30-Jul-31	30-Aug-24	3,782.11	4,497.19
Term Loan 91	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 48 months Maturity Date: 29-Aug-28	30-Sep-24	3,029.19	4,280.54
Term Loan 92	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 48 months Maturity Date: 29-Aug-28	30-Sep-24	1,498.56	2,112.63
Term Loan 93	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 48 Months Maturity Date: 25-Sep-28	25-Oct-24	3,104.04	4,349.99

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## 17 Borrowings (Other than debt securities) (refer note 17.1)(Contd..)

Particulars	Security	Terms of redemption	Earliest instalment date	As at 31 March 2026	As at 31 March 2025
Term Loan 94	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Quarterly, Interest Monthly (3months Moratorium). Tenor: 24 months Maturity Date: 28-Apr-26	28-Oct-24	709.21	3,564.28
Term Loan 95	First and Exclusive charge on the standard receivables with a security cover of 125%.	Repayment Terms: Principal monthly, Interest Monthly. Tenor: 60 months Maturity Date: 30-Sep-29	31-Oct-24	2,441.18	3,136.42
Term Loan 96	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 48 months Maturity Date: 22-Sep-28	31-Oct-24	1,550.60	2,165.07
Term Loan 97	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 48 months Maturity Date: 26-Sep-28	31-Oct-24	1,549.70	2,164.19
Term Loan 98	First and Exclusive charge on the standard receivables with a security cover of 125%.	Repayment Terms: Principal monthly, Interest Monthly. Tenor: 60 months Maturity Date: 30-Sep-29	31-Oct-24	1,046.09	1,343.96
Term Loan 99	First and Exclusive charge on the standard receivables with a security cover of 111%.	Repayment Terms: Principal Quarterly, Interest Monthly. Tenor: 60 months Maturity Date: 28-Aug-29	28-Nov-24	3,491.43	4,485.19
Term Loan 100	First and Exclusive charge on the standard receivables with a security cover of 111%.	Repayment Terms: Principal Quarterly, Interest Monthly. Tenor: 60 months Maturity Date: 28-Aug-29	28-Nov-24	3,491.04	4,484.56
Term Loan 101	First and Exclusive charge on the standard receivables with a security cover of 125%.	Repayment Terms: Principal Quarterly, Interest Monthly. Tenor: 60 months Maturity Date: 25-Sep-29	25-Dec-24	20,874.01	26,795.28
Term Loan 102	First and Exclusive charge on the standard receivables with a security cover of 125%.	Repayment Terms: Principal Quarterly, Interest Monthly. Tenor: 60 months Maturity Date: 25-Sep-29	25-Dec-24	13,910.64	17,856.26
Term Loan 103	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly (2 months moratorium). Tenor: 48 months Maturity Date: 27-Sep-28	27-Dec-24	3,251.77	4,547.22
Term Loan 104	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Quarterly, Interest Monthly. Tenor: 48 months Maturity Date: 29-Mar-28	29-Dec-24	1,422.73	2,131.74
Term Loan 105	First and Exclusive charge on the standard receivables with a security cover of 125%.	Repayment Terms: Principal monthly, Interest Monthly. Tenor: 60 months Maturity Date: 31-Dec-29	31-Jan-25	1,490.75	1,890.69
Term Loan 106	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 48 months Maturity Date: 25-Dec-28	31-Jan-25	5,114.53	6,958.61
Term Loan 107	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly (2 months moratorium). Tenor: 48 months Maturity Date: 28-Nov-28	28-Feb-25	4,506.72	6,188.85

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 17 Borrowings (Other than debt securities) (refer note 17.1)(Contd..)

Particulars	Security	Terms of redemption	Earliest instalment date	As at 31 March 2026	As at 31 March 2025
Term Loan 108	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 60 Months Maturity Date: 28-Feb-30	31-Mar-25	3,917.70	4,918.01
Term Loan 109	First and Exclusive charge on the standard receivables with a security cover of 111%.	Repayment Terms: Principal Monthly, Interest Monthly. Tenor: 48 Months Maturity Date: 28-Feb-29	31-Mar-25	3,632.46	4,873.15
Term Loan 110	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Quarterly, Interest Monthly (3months Moratorium). Tenor: 60 months Maturity Date: 01-Oct-29	01-Apr-25	3,672.39	4,980.96
Term Loan 111	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly (EMI Basis). Tenor: 60 months Maturity Date: 01-Apr-30	01-May-25	3,239.90	3,780.99
Term Loan 112	First and Exclusive charge on the standard receivables with a security cover of 111%.	Repayment Terms: Principal Quarterly, Interest Monthly (3months Moratorium). Tenor: 60 months Maturity Date: 31-Dec-29	30-Jun-25	7,856.89	9,950.01
Term Loan 113	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Quarterly, Interest monthly (3months Moratorium). Tenor: 60 months Maturity Date: 01-Jan-30	01-Jul-25	5,900.80	7,468.30
Term Loan 114	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly (3months Moratorium). Tenor: 48 months Maturity Date: 31-Mar-29	31-Jul-25	5,963.33	7,473.83
Term Loan 115	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Quarterly, Interest monthly (3months Moratorium). Tenor: 60 months Maturity Date: 01-Feb-30	01-Aug-25	6,293.11	7,467.26
Term Loan 116	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Semi Annually, Interest monthly. Tenor: 19 months Maturity Date: 24-Sep-26	26-Sep-25	1,000.52	3,003.09
Term Loan 117	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Quaterly (with a Moratorium of 6 Months), Interest Monthly . Tenor: 60 months Maturity Date: 30-May-30	30-Nov-25	8,902.59	-
Term Loan 118	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Quarterly, Interest monthly (3months Moratorium). Tenor: 60 months Maturity Date: 01-Feb-31	01-Aug-26	14,961.93	-
Term Loan 119	First and Exclusive charge on the standard receivables with a security cover of 111%.	Repayment Terms: Principal Quarterly, Interest Monthly. Tenor: 84 months Maturity Date: 31-Dec-32	31-Mar-26	28,792.39	-
Term Loan 120	First and Exclusive charge on the standard receivables with a security cover of 115%.	Repayment Terms: Principal Quarterly, Interest Monthly. Tenor: 60 months Maturity Date: 30-Jun-30	30-Sep-25	12,698.45	-
Term Loan 121	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 48 Months Maturity Date: 26-Feb-30	26-Mar-26	9,761.40	-

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 17 Borrowings (Other than debt securities) (refer note 17.1)(Contd..)

Particulars	Security	Terms of redemption	Earliest instalment date	As at 31 March 2026	As at 31 March 2025
Term Loan 122	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 60 Months Maturity Date: 29-Aug-30	29-Sep-25	14,953.96	-
Term Loan 123	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 60 months Maturity Date: 30-Nov-30	31-Dec-25	4,626.22	-
Term Loan 124	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly . Tenor: 60 months Maturity Date: 31-Dec-30	31-Jan-26	9,416.36	-
Term Loan 125	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Quarterly, Interest Monthly. Tenor: 48 months Maturity Date: 29-Mar-29	29-Dec-25	8,696.26	-
Term Loan 126	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Quarterly, Interest Monthly (12 months moratorium). Tenor: 36 months Maturity Date: 26-Feb-29	26-May-27	5,459.07	-
Term Loan 127	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly (3 months moratorium). Tenor: 48 months Maturity Date: 28-Nov-28	25-Dec-25	14,815.85	-
Term Loan 128	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Semi Annually, Interest monthly. Tenor: 24 months Maturity Date: 30-Dec-27	30-Jun-26	3,993.55	-
Term Loan 129	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Semi Annually, Interest monthly. Tenor: 24 months Maturity Date: 30-Dec-27	30-Jun-26	3,594.19	-
Term Loan 130	First and Exclusive charge on the standard receivables with a security cover of 125%.	Repayment Terms: Principal Quarterly, Interest Monthly. Tenor: 60 months Maturity Date: 30-Sep-30	31-Dec-25	13,307.52	-
Term Loan 131	First and Exclusive charge on the standard receivables with a security cover of 125%.	Repayment Terms: Principal Quarterly, Interest Monthly. Tenor: 60 months Maturity Date: 30-Sep-30	31-Dec-25	13,307.53	-
Term Loan 132	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal monthly, Interest Monthly. Tenor: 60 months Maturity Date: 12-Aug-30	12-Sep-25	13,190.49	-
Term Loan 133	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal monthly, Interest Monthly. Tenor: 60 months Maturity Date: 04-Mar-31	04-Apr-26	4,975.74	-
Term Loan 134	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Quarterly (6 months moratorium), Interest Monthly. Tenor: 48 months Maturity Date: 31-Mar-30	30-Sep-26	14,962.73	-
Term Loan 135	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Quarterly, Interest Monthly. Tenor: 60 months Maturity Date: 30-Mar-31	30-Jun-26	9,954.89	-
Term Loan 136	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal monthly, Interest Monthly. Tenor: 60 months Maturity Date: 30-Mar-31	30-Apr-26	9,925.00	-
				<b>4,70,907.79</b>	<b>3,83,820.52</b>

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for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 17 Borrowings (Other than debt securities) (refer note 17.1)(Contd..)

Term loans from Banks- Foreign currency loans:

Particulars	Security	Terms of redemption	Earliest instalment date	As at 31 March 2026	As at 31 March 2025
Term Loan 1	First and Exclusive charge on the standard receivables with a security cover of 125%.	Repayment Terms: Principal Quarterly, Interest Monthly. Tenor: 60 months Maturity Date: 30-Sep-30	31-Dec-25	14,279.17	-
Term Loan 2	First and Exclusive charge on the standard receivables with a security cover of 125%.	Repayment Terms: Principal Quarterly, Interest Monthly. Tenor: 60 months Maturity Date: 30-Sep-30	31-Dec-25	14,279.16	-
				<b>28,558.33</b>	-

From other financial institutions ("FIs"):

Particulars	Security	Terms of redemption	Earliest instalment date	As at 31 March 2026	As at 31 March 2025
Term loan from FIs 1	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly (EMI Basis). Tenor: 48 months Maturity Date: 10-Apr-25	10-May-21	-	41.90
Term loan from FIs 2	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Quarterly, Interest monthly . Tenor: 36 months Maturity Date: 01-Mar-25	01-Jun-22	-	-
Term loan from FIs 3	First and Exclusive charge on the standard receivables with a security cover of 118%.	Repayment Terms: Principal Monthly, Interest Monthly (EMI Basis). Tenor: 36 months Maturity Date: 22-Feb-26	22-Mar-23	-	1,688.14
Term loan from FIs 4	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly (EMI Basis). Tenor: 48 months Maturity Date: 10-Apr-27	10-May-23	1,087.27	2,089.25
Term loan from FIs 5	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly (EMI Basis). Tenor: 48 months Maturity Date: 10-Apr-27	10-May-23	271.79	522.24
Term loan from FIs 6	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal monthly, Interest monthly. Tenor: 36 months Maturity Date: 02-May-26	05-Jun-23	-	1,953.85
Term loan from FIs 7	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal monthly, Interest monthly. Tenor: 36 months Maturity Date: 30-May-27	05-Jul-24	2,929.44	5,265.60
Term loan from FIs 8	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Quarterly, Interest monthly . Tenor: 36 months Maturity Date: 31-Mar-28	30-Apr-25	2,438.87	3,491.29
Term loan from FIs 9	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal monthly, Interest monthly. Tenor: 36 months Maturity Date: 27-Mar-28	05-May-25	3,484.49	4,988.20
Term loan from FIs 10	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Monthly, Interest Monthly (3 months moratorium). Tenor: 36 months Maturity Date: 10-Mar-28	10-Jun-25	14,171.66	19,976.40
Term loan from FIs 11	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Quarterly, Interest monthly . Tenor: 36 months Maturity Date: 01-Apr-28	01-Jul-25	2,661.03	3,989.99

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 17 Borrowings (Other than debt securities) (refer note 17.1)(Contd..)

Particulars	Security	Terms of redemption	Earliest instalment date	As at 31 March 2026	As at 31 March 2025
Term loan from Fls 12	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal monthly, Interest monthly. Tenor: 48 months Maturity Date: 30-Mar-30	05-May-26	9,974.07	-
Term loan from Fls 13	First and Exclusive charge on the standard receivables with a security cover of 110%.	Repayment Terms: Principal Quarterly, Interest Monthly (6 months moratorium). Tenor: 66 months Maturity Date: 10-Sep-31	10-Sep-26	22,454.54	-
				<b>59,473.16</b>	<b>44,006.86</b>

### Borrowing under securitisation:

Particulars	Terms of redemption	Earliest instalment date	As at 31 March 2026	As at 31 March 2025	
Borrowing under securitisation 1	Repayment Terms: Monthly principal repayment, Interest Monthly, Turbo EIS. Tenor: 36 months. Maturity Date: 20-Sep-25	20-Oct-22	-	157.50	
Borrowing under securitisation 2	Repayment Terms: Monthly principal repayment, Interest Monthly, Turbo EIS. Tenor: 29 months. Maturity Date: 20-Feb-26	20-Oct-23	-	2,219.28	
Borrowing under securitisation 3	Repayment Terms: Monthly principal repayment, Interest Monthly, Turbo EIS. Tenor: 29 months. Maturity Date: 20-Apr-26	20-Dec-23	-	1,118.79	
Borrowing under securitisation 4	Repayment Terms: Monthly principal repayment, Interest Monthly, Turbo EIS. Tenor: 37 months. Maturity Date: 20-Jan-27	20-Jan-24	1,576.94	6,862.72	
Borrowing under securitisation 5	Repayment Terms: Monthly principal repayment, Interest Monthly, Turbo EIS. Tenor: 38 months. Maturity Date: 20-April 27	20-Mar-24	1,644.76	5,213.78	
Borrowing under securitisation 6	Repayment Terms: Monthly principal repayment, Interest Monthly, Turbo EIS. Tenor: 39 months. Maturity Date: 20-Jun-27	20-Apr-24	1,009.06	2,854.48	
Borrowing under securitisation 7	Repayment Terms: Monthly principal repayment, Interest Monthly, Turbo EIS. Tenor: 35 months. Maturity Date: 20-Jun-27	20-Apr-24	1,662.41	5,537.38	
Borrowing under securitisation 8	Repayment Terms: Monthly principal repayment, Interest Monthly, Turbo EIS. Tenor: 43 months. Maturity Date: 20-Jan-28	20-Jul-24	10,553.97	21,009.46	
Borrowing under securitisation 9	Repayment Terms: Monthly principal repayment, Interest Monthly, Turbo EIS. Tenor: 48 months. Maturity Date: 20-Jun-28	20-Jul-24	2,135.97	3,653.88	
Borrowing under securitisation 10	Repayment Terms: Monthly principal repayment, Interest Monthly, Turbo EIS. Tenor: 37 months. Maturity Date: 20-Sep-27	20-Sep-24	1,618.02	3,685.36	
Borrowing under securitisation 11	Repayment Terms: Monthly principal repayment, Interest Monthly, Turbo EIS. Tenor: 42 months. Maturity Date: 20-Feb-28	20-Sep-24	4,004.74	7,801.12	
Borrowing under securitisation 12	Repayment Terms: Monthly principal repayment, Interest Monthly, Turbo EIS. Tenor: 44 months. Maturity Date: 20-May-28	20-Oct-24	2,068.70	3,985.67	
Borrowing under securitisation 13	Repayment Terms: Monthly principal repayment, Interest Monthly. Tenor: 45 months. Maturity Date: 20-Sep-28	20-Jan-25	8,157.22	13,567.81	
Borrowing under securitisation 14	Repayment Terms: Monthly principal repayment, Interest Monthly, Turbo EIS. Tenor: 44 months. Maturity Date: 20-Jan-29	20-Jun-25	5,021.84	-	
Borrowing under securitisation 15	Repayment Terms: Monthly principal repayment, Interest Monthly, Turbo EIS. Tenor: 45 months. Maturity Date: 20-Feb-2029	20-Jun-25	10,015.97	-	
Borrowing under securitisation 16	Repayment Terms: Monthly principal repayment, Interest Monthly. Tenor: 52 months. Maturity Date: 20-Mar-30	19-Dec-25	17,530.56	-	
Borrowing under securitisation 17	Repayment Terms: Monthly principal repayment, Interest Monthly. Tenor: 67 months. Maturity Date: 20-Aug-31	20-Feb-26	13,984.98	-	
				<b>80,985.14</b>	<b>77,667.23</b>

Refer Note No 47B(5) for security and credit enhancement details pertaining to borrowings from securitisation arrangements.

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 18 Other financial liabilities (including lease liabilities)

Particulars	As at 31 March 2026	As at 31 March 2025
Lease liabilities (refer note 18.1)	2,561.47	2,913.70
Employee benefits payable	5,098.56	4,415.78
Remittances payable - derecognised financial instruments*	361.07	165.82
Other liabilities**	299.82	129.68
<b>Total</b>	<b>8,320.92</b>	<b>7,624.98</b>

\*Represents the amount collected from underlying customers yet to be paid to the assignee representative as at reporting date.

\*\* Represents amount deducted from and payable on behalf of customers, yet to be paid as at reporting date.

### 18.1 Disclosures under Ind AS 116

The Company has entered into leasing arrangements for premises as well as for furnitures and fixtures. ROU has been included under 'Property, Plant and Equipment' and Lease liability has been included under 'Other Financial Liabilities' in the Balance Sheet.

Lease liabilities are recognised at weighted average incremental borrowing rate ranging between 9.50% and 12.23%.

#### (i) Maturity analysis of undiscounted lease payments

Particulars	As at 31 March 2026	As at 31 March 2025
Less than 1 year	1,484.12	1,779.14
1-2 years	833.94	1,014.88
2-3 years	352.03	334.67
3-4 years	66.45	80.95
4-5 years	41.73	27.43
> 5 years	116.65	11.08

#### (ii) Movement of Lease Liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
<b>Opening balance</b>	<b>2,913.70</b>	<b>3,040.30</b>
Additions during the year	1,521.98	1,590.13
Interest on lease liabilities	275.75	327.52
Rent payment	(2,020.33)	(1,872.34)
Derecognition on termination of lease	(129.63)	(171.91)
<b>Closing balance</b>	<b>2,561.47</b>	<b>2,913.70</b>

(iii) For movement in carrying value of right of use assets, refer note 13.1.

#### (iv) Amounts recognised in the Statement of Profit and Loss

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
a) Depreciation charge for right-of-use assets	1,737.81	1,625.58
b) Interest expense (included in finance cost)	275.75	327.52
c) Expense relating to short-term leases	-	-

#### (v) Cash Flows

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
The total cash outflow of leases	2,020.33	1,872.34

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 19 Provisions

Particulars	As at 31 March 2026	As at 31 March 2025
Provision for employee benefits		
Provision for gratuity (refer note 35.2)	320.98	148.01
Provision for compensated absences	2,242.65	1,136.84
Impairment loss allowance for undrawn commitments	50.66	52.73
<b>Total</b>	<b>2,614.29</b>	<b>1,337.58</b>

### Analysis of changes in the gross carrying amount and the corresponding ECL allowance in relation to Impairment Loss on undrawn commitments

#### Gross exposure reconciliation

Particulars	As at 31 March 2026			
	Stage 1	Stage 2	Stage 3	Total
<b>As at the beginning of the year</b>	<b>12,898.41</b>	-	-	<b>12,898.41</b>
Additions during the year	12,677.85	-	-	12,677.85
Deletions during the year	(12,898.41)	-	-	(12,898.41)
<b>As at the end of the year</b>	<b>12,677.85</b>	-	-	<b>12,677.85</b>

Particulars	As at 31 March 2025			
	Stage 1	Stage 2	Stage 3	Total
<b>As at the beginning of the year</b>	-	-	-	-
Additions during the year	12,898.41	-	-	12,898.41
Deletions during the year	-	-	-	-
<b>As at the end of the year</b>	<b>12,898.41</b>	-	-	<b>12,898.41</b>

#### Reconciliation of ECL Balance

Particulars	As at 31 March 2026			
	Stage 1	Stage 2	Stage 3	Total
<b>As at the beginning of the year</b>	<b>52.73</b>	-	-	<b>52.73</b>
Additions during the year	50.66	-	-	50.66
Deletions during the year	(52.73)	-	-	(52.73)
<b>As at the end of the year</b>	<b>50.66</b>	-	-	<b>50.66</b>

Particulars	As at 31 March 2025			
	Stage 1	Stage 2	Stage 3	Total
<b>As at the beginning of the year</b>	-	-	-	-
Additions during the year	52.73	-	-	52.73
Deletions during the year	-	-	-	-
<b>As at the end of the year</b>	<b>52.73</b>	-	-	<b>52.73</b>

## 20 Other non-financial liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Statutory dues payable	872.24	701.15
Others*	56.09	38.76
	<b>928.33</b>	<b>739.91</b>

\*Others represents fee income (net) with respect to loans which are under evaluation/ process of getting disbursed.

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 21 Equity share capital

Particulars	As at	
	31 March 2026	31 March 2025
<b>Authorised</b>		
202,000,000 ( March 31, 2025: 202,000,000 ) equity shares of INR 10 each	20,200.00	20,200.00
	<b>20,200.00</b>	<b>20,200.00</b>
<b>Issued, subscribed and paid-up</b>		
<b>Fully paid-up</b>		
<b>Equity Shares</b>		
131,284,209 (March 31, 2025: 131,284,209) equity shares of INR 10 each	13,128.42	13,128.42
<b>Issued, subscribed, called and paid-up</b>		
<b>Partly paid-up</b>		
<b>Forfeited share capital (refer note 21.7)</b>		
800,000 (31 March 2025: 800,000 ) equity shares	8.00	8.00
	<b>13,136.42</b>	<b>13,136.42</b>

Note 1: During the Financial year 2024-25, the authorised share capital of the Company amounting to INR 6,502 lakhs, was reclassified from CCPS to equity share capital, vide board resolution dated 10 June 2024.

### 21.1 Reconciliation of shares outstanding at the beginning and at the end of the year

Particulars	As at 31 March 2026		As at 31 March 2025	
	No. of shares	Amount	No. of shares	Amount
<b>Equity shares of INR 10 each</b>				
At the commencement of the year	13,12,84,209	13,128.42	13,20,31,209	12,751.92
Add: Equity shares issued during the year- ESOP*	-	-	53,000	5.30
Add: Proceeds on conversion of partly paid equity shares to fully paid equity shares	-	-	-	379.20
Less: Equity shares forfeited during the year (refer note 21.7)	-	-	(8,00,000)	(8.00)
<b>At the end of the year</b>	<b>13,12,84,209</b>	<b>13,128.42</b>	<b>13,12,84,209</b>	<b>13,128.42</b>
<b>Forfeited Equity shares of INR 10 each</b>				
At the commencement of the year	8,00,000	8.00	-	-
Add: Forfeited during the year	-	-	8,00,000	8.00
<b>At the end of the year</b>	<b>8,00,000</b>	<b>8.00</b>	<b>8,00,000.00</b>	<b>8.00</b>

\*Shares reserved for issue under option:

Information relating to Employee Stock Option Schemes including details of options issued, exercised and lapsed during the reporting year and options outstanding at the end of the reporting year, is set out in note 42

During the Financial year 2025-26, the Company allotted Nil equity shares (31 March 2025: 53,000) to employees who exercised their options under ESOP scheme.

### 21.2 Details of Promoter Holdings

The Company had identified Mr. D. Arulmany and Ms. Vidya Arulmany as the promoters of the Company. Pursuant to the resolution passed by the Board of Directors on 19 December 2024 considering the extant regulations of Securities Exchange Board of India, the Company does not have any identifiable promoter in terms of Companies Act, 2013.

Consequent to the above, on 20 December 2024, the Company has revised the annual return filed with Ministry of Corporate Affairs for the year ended 31 March 2024. Accordingly, there are no promoter holding as at and for the year ended 31 March 2026 and 31 March 2025.

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 21 Equity share capital(Contd..)

### 21.3 Details of shareholders holding more than 5% shares of each class of shares

Particulars	As at 31 March 2026		As at 31 March 2025	
	No. of shares	% Holding	No. of shares	% Holding
<b>Equity shares of INR 10</b>				
Norwest Venture Partners X Mauritius	2,87,50,308	21.90%	2,87,50,308	21.90%
Kedaara Capital Fund II LLP	2,00,87,374	15.30%	2,00,87,374	15.30%
British International Investment Plc.**	1,37,60,568	10.48%	1,37,60,568	10.48%
D. Arulmany	1,24,49,491	9.48%	1,24,49,491	9.48%
Lok Capital Growth Fund	1,07,57,276	8.19%	1,07,57,276	8.19%
Multiples Private Equity Fund III	1,02,95,904	7.84%	1,02,95,904	7.84%
Venus Investments Private Limited	1,02,95,904	7.84%	1,02,95,904	7.84%

\*\*Previously known as CDC Group Plc, renamed as British International Investment Plc with effect from 4 April 2022

### 21.4 Rights, preferences and restrictions attached to each class of shares

#### Equity shares

The Company has a single class of equity shares. Each holder is entitled to one vote per equity share. Accordingly all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time subject to payment of dividend to preference shareholders. Dividends are paid in Indian Rupees. Dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders at the General Meeting, except in the case of interim dividend.

The holders of partly paid equity shares are entitled to one vote on every partly paid equity share in the same manner as if the shares were fully paid up.

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.

### 21.5 Employee Stock Option Scheme

Refer note 42 for details of Employee Stock Option Scheme issued by the Company

### 21.6 There are no bonus shares, non-cash shares issued in the last 5 years

### 21.7 Forfeiture of partly paid shares

As at March 31, 2023, the Company had 1,32,98,744 partly up paid shares of INR 1 per share . During the year ended 31 March 2024, the Company issued additional partly paid equity shares of 2,689,518 of INR 1 per share and converted 10,975,000 partly paid equity shares to fully paid equity share pursuant to the board resolution passed on 05 July 2023 resulting in 50,13,262 partly paid up share as at 31 March 2024.

During the Financial year 2024-25, the Board of Directors of the Company at its meeting held on 16 July 2024 has called for money payable on 50,13,262 partly paid equity shares of the Company. Consequently, Company collected INR 379.19 lakhs towards equity capital and INR 13,754.74 lakhs towards securities premium aggregating to INR 14,133.93 lakhs on the partly paid-up equity shares and converted the same to fully paid-up equity shares. Further, 800,000 partly paid-up equity shares were forfeited pursuant to the provision in Articles of Association of the Company and in accordance with the applicable provisions and rules of the Companies Act, 2013 for non-payment of call money.

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 22 Other equity

Particulars	As at 31 March 2026	As at 31 March 2025
Securities premium	1,71,989.46	1,71,989.46
Retained earnings	97,998.84	71,576.88
Statutory reserve as per Section 45-IC of the RBI Act, 1934	24,885.60	18,277.70
Share options outstanding account	4,755.88	3,337.00
Other comprehensive income - Effective Portion of Cash Flow Hedge Reserve	(78.36)	-
	<b>2,99,551.42</b>	<b>2,65,181.04</b>

### i. Securities premium

Particulars	As at 31 March 2026	As at 31 March 2025
Opening balance	1,71,989.46	1,58,123.15
Add: Premium on shares issued during the year	-	13,825.32
Add: Transfer from share options outstanding account on exercise of options	-	40.99
<b>Closing balance</b>	<b>1,71,989.46</b>	<b>1,71,989.46</b>

### ii. Retained earnings

Particulars	As at 31 March 2026	As at 31 March 2025
Opening balance	71,576.88	48,216.81
Add: Net Profit for the year	33,039.48	29,511.16
Less : Appropriations		
- Transfer to statutory reserve as per Section 45-IC of the RBI Act, 1934	(6,607.90)	(5,902.23)
Add: Transfer from other comprehensive income	(170.04)	(291.99)
Add: Transfer from Share options outstanding account on lapse of options	160.42	43.13
<b>Closing balance</b>	<b>97,998.84</b>	<b>71,576.88</b>

### iii. Statutory reserve as per Section 45-IC of the RBI Act, 1934

Particulars	As at 31 March 2026	As at 31 March 2025
Opening balance	18,277.70	12,375.47
Add: Amount transferred from Retained earnings	6,607.90	5,902.23
<b>Closing balance</b>	<b>24,885.60</b>	<b>18,277.70</b>

### iv. Share options outstanding account

Particulars	As at 31 March 2026	As at 31 March 2025
Opening balance	3,337.00	1,488.00
Add: Share based payment expense	1,579.30	1,933.12
Less : Transfer to securities premium on allotment of shares	-	(40.99)
Less : Transfer to retained earnings on lapse of options	(160.42)	(43.13)
<b>Closing balance</b>	<b>4,755.88</b>	<b>3,337.00</b>

The Company has established equity-settled share based payment plans for certain categories of employees of the Company. Also refer note 42 for further details of these plans.

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 22 Other equity(Contd..)

### v. Other comprehensive income- Remeasurements of defined benefit asset

Particulars	As at 31 March 2026	As at 31 March 2025
Opening balance	-	-
Add: Remeasurements of defined benefit asset / (liability)	(170.04)	(291.99)
Less: Transferred to retained earnings	170.04	291.99
<b>Closing balance</b>	<b>-</b>	<b>-</b>

### vi. Other comprehensive income - Effective Portion of Cash Flow Hedge Reserve

Particulars	As at 31 March 2026	As at 31 March 2025
Opening balance	-	-
Add/ less: Cashflow hedge reserve (refer note e below)	(78.36)	-
<b>Closing balance</b>	<b>(78.36)</b>	<b>-</b>

Notes:

- Securities premium reserve is used to record the premium on issue of shares. The premium received during the year represents the premium received towards allotment of shares. The reserve can be utilized only for limited purposes such as issuance of bonus shares, buy back of its own shares and securities in accordance with the provisions of the Companies Act, 2013.
- Retained earnings or accumulated surplus represents total of all profits retained since Company's inception. Retained earnings are credited with current year profits, reduced by losses, if any, dividend pay-outs, transfers to general reserve or any such other appropriations to specific reserves.
- Statutory reserve represents the reserve created as per Section 45-IC of the RBI Act, 1934 pursuant to which a Non-Banking Financial Company shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit after tax annually as disclosed in the Statement of Profit and Loss account.
- Share options outstanding account represents reserve created to the extent of granted options based on the Employees Stock Option Schemes. Under Ind AS 102, fair value of the options granted is to be expensed out over the life of the vesting period as employee compensation costs reflecting period of receipt of service.
- The Company has applied hedge accounting for designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity as cash flow hedge reserve. Amounts recognised in the effective portion of cash flow hedges is reclassified to the statement of profit and loss when the hedged item affects profit or loss (e.g. interest payments).

## 23 Interest income

Particulars	As at 31 March 2026	As at 31 March 2025
(On financial assets measured at amortised cost)		
Interest income on loans	1,71,092.22	1,43,999.12
Interest income on deposits with Bank	4,137.38	3,238.51
Interest income on Government Securities	407.46	28.32
Interest income on security deposits	201.62	180.11
	<b>1,75,838.68</b>	<b>1,47,446.06</b>

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 24 Fee and commission income

Particulars	As at 31 March 2026	As at 31 March 2025
Legal and documentation fees	180.30	288.38
Instrument bounce charges	1,160.24	1,187.95
Preclosure charges	2,044.41	1,579.87
Penal charges	414.81	344.18
Others*	134.83	83.04
	<b>3,934.59</b>	<b>3,483.42</b>

\*Income in the nature of statement of accounts, cancellation charges, tranche disbursement charges are included.

Particulars	As at 31 March 2026	As at 31 March 2025
<b>Timing of revenue recognition:</b>		
- That are recognised over a period of time	-	-
- That are recognised at a point of time	3,934.59	3,483.42
<b>Geographical Market</b>		
- In India	3,934.59	3,483.42
- Outside India	-	-
<b>Contract Balances</b>		
- Trade receivables (net of ECL)	-	-

## 25 Net gain / (loss) on fair value changes

Particulars	As at 31 March 2026	As at 31 March 2025
Net gain on financial instruments at fair value through profit or loss		
<b>On trading portfolio</b>		
- Mutual fund investments - Realised	2,304.27	2,487.65
- Mutual fund investments - Unrealised	(13.39)	20.79
	<b>2,290.88</b>	<b>2,508.44</b>

## 26 Sale of services

Particulars	As at 31 March 2026	As at 31 March 2025
Service fees for management of securitised loans	53.86	42.10
	<b>53.86</b>	<b>42.10</b>
<b>Timing of revenue recognition:</b>		
- That are recognised over a period of time	-	-
- That are recognised at a point of time	53.86	42.10
<b>Geographical Market</b>		
- In India	53.86	42.10
- Outside India	-	-
<b>Contract Balances</b>		
- Trade receivables (net of ECL)	-	-

## 27 Other income

Particulars	As at 31 March 2026	As at 31 March 2025
Profit on:		
- Disposal of right of use asset	5.31	20.55
Interest on income tax refund	-	1.57
Advertisement income	434.00	649.91
	<b>439.31</b>	<b>672.03</b>

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 28 Finance costs

### On financial liabilities measured at amortised cost

Particulars	As at 31 March 2026	As at 31 March 2025
Interest on borrowings other than debt securities		
- term loans from banks	39,138.31	33,892.68
- cash credits and overdraft from banks	0.79	2.93
- term loans from others	3,542.47	1,550.65
- securitisation	7,984.12	7,726.96
Interest on debt securities	7,072.67	4,808.43
Interest expenses on lease liabilities	275.75	327.52
	<b>58,014.11</b>	<b>48,309.17</b>

## 29 Fees and commission expense

Particulars	As at 31 March 2026	As at 31 March 2025
Fees and commission expense	297.68	230.54
	<b>297.68</b>	<b>230.54</b>

## 30 Impairment on financial instruments

Particulars	As at 31 March 2026	As at 31 March 2025
At amortised cost		
Impairment loss allowance:		
- on loans - measured at amortised cost	4,009.68	7,152.36
- on receivables and other financial assets - measured at amortised cost	11.20	(0.87)
- on undrawn commitments	(2.02)	52.73
Loans written off	17,626.56	10,821.93
Recovery on loans written off	(838.40)	(891.95)
	<b>20,807.02</b>	<b>17,134.20</b>

## 31 Employee benefits expenses

Particulars	As at 31 March 2026	As at 31 March 2025
Salaries, bonus and wages	42,839.71	35,007.50
Contribution to provident fund and ESI	2,220.65	1,951.44
Expenses related to gratuity (refer note 35)	369.21	472.82
Expenses related to compensated absences	1,347.20	500.04
Share based payment expense (refer note 42)	1,579.29	1,933.12
Staff welfare expenses	941.80	846.08
	<b>49,297.86</b>	<b>40,711.00</b>

On 21 November 2025, the Central Government issued four separate notifications in the Official Gazette announcing implementation of four Labour Codes, viz., the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020. These four codes replace and consolidate 29 existing labour laws. Following the implementation of the four labour codes, the Central Government has pre-published the draft rules on 31 December 2025 under the respective Labour Codes, for public comment and the final rules are expected to be notified in due course. To ensure smooth implementation, the Ministry of Labour and Employment has also issued the Frequently Asked Questions (FAQs) on the four codes.

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 31 Employee benefits expenses(Contd..)

The four codes prescribe an inclusive definition of the term 'wages', which among other matters is relevant for determination of post-employment benefits including gratuity to all employees. In accordance with the definition, certain specified items forming part of remuneration are not included in the wages and these excluded items cannot exceed 50% of total remuneration. If there is an excess, then it is presumed that excess amount also forms part of wages. The four codes also introduce changes related to leave entitlement and encashment for workers. Going forward, workers' leave balance in excess of 30 days will be encashed at the end of each calendar year and workers will have a right to demand encashment for entire leave.

The Company has assessed the impact of these changes on the basis the best information available till authorisation of the financial statements for issue. The Company has determined that these changes result in an increase in provision of INR 890.50 Lakhs. The Company has presented increase in obligation as an expense under the head "Employee benefits expenses" in the statement of profit and loss for the year ended 31 March 2026. The Company continues to monitor the finalisation of Central / State Rules and clarifications from the Government on other aspects of the Labour Code and impact on provision, if any, will be reassessed and appropriately provided on the basis of such developments as needed.

## 32 Depreciation and amortization

Particulars	As at 31 March 2026	As at 31 March 2025
Depreciation of property, plant and equipment (including right of use asset)	2,554.08	2,518.63
Amortisation of intangible assets	468.24	370.73
	<b>3,022.32</b>	<b>2,889.36</b>

## 33 Other expenses

Particulars	As at 31 March 2026	As at 31 March 2025
Energy costs	219.57	201.35
Rates and taxes	1,182.04	936.74
Repairs and maintenance	439.35	474.62
Communication costs	381.85	391.42
Printing and stationery	197.40	216.74
Advertisement and business promotion	123.18	281.97
Directors fees, allowances and expenses	47.00	63.55
Auditors' fees and expenses (refer note 33.1)	131.96	156.00
Legal and professional charges	3,275.59	1,842.56
Insurance	17.28	23.98
Corporate social responsibility expenses (refer note 33.3)	706.30	475.70
Travel and conveyance expenses	1,364.89	1,134.09
Information technology expenses	1,544.75	1,172.37
Cash Management Services	162.85	238.53
Bank Charges	2.16	5.41
Loss on sale of property, plant and equipment (net)	8.51	12.21
Other expenses*	8.43	6.13
	<b>9,813.11</b>	<b>7,633.37</b>

\*Represents expenses towards periodical expenses, CERSAI charges, etc.

## 33.1 Payments to auditors (including accruals)

Particulars	As at 31 March 2026	As at 31 March 2025
Statutory audit including interim audits, limited reviews and certificates (refer note 1 below)	129.26	148.32
Tax audit	2.06	2.06
Reimbursement of expenses	0.64	5.62
	<b>131.96</b>	<b>156.00</b>

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 33 Other expenses(Contd..)

Note 1: The payment to auditors excludes remuneration in connection with proposed initial public offer of equity shares of the Company which is included under share issue expenses (refer note 14). These costs will also be recovered by the Company from the selling shareholders as a part of agreement.

### 33.2 Expenditure and earnings in foreign currency (on accrual basis)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
<b>(a) Expenditure in foreign currency</b>		
Advertisement Expenses	-	0.25
<b>(b) Remittances in Foreign Currency</b>		
Offer expenses in connection with the proposed Initial Public Offer *	-	330.95
<b>(c) There are no dividend paid in foreign currency</b>		

\*Represents expense incurred in connection with proposed initial public offer of equity shares of the Company, included in share issue expenses (refer note 14).

### 33.3 Details of expenditure on corporate social responsibility (CSR)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
(a) Gross amount required to be spent by the Company during the year*	706.30	475.70
(b) Amount approved by the Board to be spent during the year*	706.30	475.70
(c) Amount spent during the year (in cash):		
(i) Construction/ acquisition of any asset	-	-
(ii) On purposes other than (i) above	249.82	118.00
(d) Details of related party transactions out of the above- contribution to a trust - Veritas Foundation	368.47	475.70
(e) Details relating to spent/ unspent obligations:		
(i) Amount spent	192.00	118.00
(ii) Amount unspent (ongoing projects)	456.48	357.70

\*Represents the amount required to be spent by the Company as per Section 135 of the Companies Act, 2013 and amount approved by the Board for the year ended 31 March 2026 and 31 March 2025.

The primary nature of expenses include education, health care, skill development and sanitation related expenses. Some of the activities/ projects are conducted through Veritas Foundation from where the ultimate spend would be monitored.

#### (e) (i) In case of S. 135(5) (other than ongoing project)\*\*

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Opening balance	-	-
Amount deposited in Specified Fund of Sch. VII within 6 months/ transferred to a specified bank account	-	-
Amount required to be spent during the year	192.00	118.00
Less: amount spent during the year	(192.00)	(118.00)
<b>Closing balance</b>	<b>-</b>	<b>-</b>

#### (e) (ii) In case of S. 135(6) (ongoing project)\*\*

For the year ended 31 March 2026:

Particulars	Opening Balance		Amount required to be spent during the year	Spent during the year from		Closing Balance	
	With Company	In Separate CSR Unspent AC		Company's Bank AC	In Separate CSR Unspent AC	With Company <sup>##</sup>	In Separate CSR Unspent AC
FY 23-24	-	28.06	-	-	28.06	-	-
FY 24-25	357.70	-	-	-	117.51	4.58	235.61
FY 25-26	-	-	514.30	57.82	-	456.48	-
<b>Total</b>	<b>357.70</b>	<b>28.06</b>	<b>514.30</b>	<b>57.82</b>	<b>145.57</b>	<b>461.06</b>	<b>235.61</b>

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 33 Other expenses(Contd..)

For the year ended 31 March 2025:

Particulars	Opening Balance		Amount required to be spent during the year	Spent during the year from		Closing Balance	
	With Company	In Separate CSR Unspent AC		Company's Bank AC	In Separate CSR Unspent AC	With Company ##	In Separate CSR Unspent AC
FY 23-24	-	151.30	-	-	123.24	-	28.06
FY 24-25	-	-	357.70	-	-	357.70	-
<b>Total</b>	-	<b>151.30</b>	<b>357.70</b>	-	<b>123.24</b>	<b>357.70</b>	<b>28.06</b>

\*\*During the Financial Year ended 31 March 2025, the company has transferred INR 475.70 lakhs to Veritas Foundation out of which the foundation has utilised INR 118 lakhs as at March 31, 2025. The balance unspent CSR amount of INR 357.70 lakhs as at 31 March 2025 identified towards ongoing project has been subsequently transferred to a Designated Unspent Corporate Social Responsibility Account with scheduled commercial bank as per circular E-file no.CSR-05/01/2021-CSR-MCA dated 25 August 2021. Further, during the financial year ended 31 March 2026, INR 117.51 lakhs was spent by the Foundation and balance unspent of INR 240.19 lakhs as at 31 March 2026 is maintained in the Designated Unspent Corporate Social Responsibility Account with scheduled commercial bank opened specifically for financial year 2024-25.

\*\*The balance unspent CSR amount of INR 456.48 lakhs as at 31 March 2026 identified towards ongoing project has been subsequently transferred to a Designated Unspent Corporate Social Responsibility Account with scheduled commercial bank as per circular E-file no.CSR-05/01/2021-CSR-MCA dated 25 August 2021 opened specifically for financial year 2025-26.

##Includes transferred and unutilised portion of CSR expenses held by the Veritas Foundation as at end of respective financial year.

## 34 Income tax

Particulars	As at 31 March 2026	As at 31 March 2025
<b>The component of income tax expenses:</b>		
<b>Current income tax:</b>		
Current income tax charge	12,497.27	11,491.16
Changes in estimates related to prior years	-	-
Current tax - in respect of prior years	-	-
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences:		
Deferred tax expense reported in the statement of profit and loss	(1,928.50)	(2,170.00)
<b>Income tax expense recognised in the statement of profit and loss</b>	<b>10,568.77</b>	<b>9,321.16</b>
<b>Deferred tax expense recognised in OCI Section</b>		
Deferred tax related to items recognised in OCI during the year:		
Net (loss)/gain on remeasurements of defined benefit plans	(57.22)	(98.20)
Net movement on effective portion of cash flow hedges	(26.35)	-
<b>Deferred tax charged to OCI</b>	<b>(83.57)</b>	<b>(98.20)</b>

### 34.1 Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended 31 March 2026 and the year ended 31 March 2025

Particulars	As at 31 March 2026	As at 31 March 2025
Accounting profit before tax	43,608.25	38,832.32
Applicable income tax rate	25.17%	25.17%
Computed income tax expense	10,975.32	9,773.32
<b>Tax effect of:</b>		
<b>Permanent differences:</b>	<b>(406.55)</b>	<b>(452.16)</b>
- Impact deduction u/s 80JJAA	(585.81)	(592.53)
- Expenses /provisions not deductible in determining taxable profit	-	-
- Impact of difference in tax base for donations and CSR expense	179.26	119.72
- Others	-	20.65

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 34 Income tax(Contd..)

Particulars	As at 31 March 2026	As at 31 March 2025
- Share based payment expense – No deduction claimed under tax	-	-
<b>Income tax expense recognised in statement of profit and loss excluding change in estimates relating to previous years</b>	<b>10,568.77</b>	<b>9,321.16</b>

Note: The Company has elected to exercise the option permitted under section 115BAA of the Income tax Act, 1961, as introduced by the Taxation laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised provision for income tax and remeasured its net deferred tax asset at concessional rate for the financial year ended 31 March 2026 and year ended 31 March 2025 with effect from 23 October 2020.

## 35 Employee benefits

### 35.1 Defined contribution plan

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund, which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognized as expense towards contribution to provident fund for the period to date ended 31 March 2026 aggregated to INR 1,934.89 lakhs (31 March 2025 - INR 1,725.40 lakhs).

### 35.2 Defined benefit plans

The defined benefit plans expose the Company to risks such as Actuarial risk, Liquidity risk, Market risk, Legislative risk. These are discussed as follows:

**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 mortality rates:** If actual mortality rates are higher than assumed mortality rate assumption then the gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

**Variability in withdrawal rates:** If actual withdrawal rates are higher than assumed withdrawal rate assumption then the gratuity benefit will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

**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.

**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 cash flows.

**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 and vice versa. This assumption depends on the yields on the government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

**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, 1972, 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.

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 35 Employee benefits(Contd..)

Details of Actuarial valuation of gratuity pursuant to Ind AS 19:

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit asset (liability) and its components

Particulars	As at 31 March 2026	As at 31 March 2025
<b>A. Change in present value of defined benefit of obligations</b>		
<b>Change in defined benefit obligations during the year</b>		
Present value of defined benefit obligation at the beginning of the year	1,989.49	1,393.42
Current service cost	373.26	284.04
Past Service Cost	-	212.36
Interest cost	120.44	87.30
Benefits paid and Charges deducted from the fund	(185.55)	(267.38)
Direct benefits paid by the Company	-	-
Impact of Change in Assumptions on Plan Liabilities-loss/(gain)		
- changes in financial assumptions	(57.38)	18.51
- changes in demographic assumptions	(90.59)	(98.27)
Experience adjustments on plan liabilities -loss	518.31	359.51
<b>Present value of defined benefit obligation at the end of the year</b>	<b>2,667.98</b>	<b>1,989.49</b>
<b>B. Change in fair value of plan assets during the year</b>		
Fair value of plan assets at the beginning of the year	1,841.48	1,359.01
Expected return on plan assets	124.49	110.88
Contributions to the fund	423.51	749.41
Direct Contributions to meet direct benefit payments	-	-
Benefits paid and Charges deducted from the fund	(185.55)	(267.38)
Direct benefits paid by the Company	-	-
Actuarial (loss)/ gain recognised in other comprehensive income	143.08	(110.44)
<b>Fair value of plan assets at the end of the year</b>	<b>2,347.01</b>	<b>1,841.48</b>
<b>C. Actual return on plan assets</b>		
Expected return on plan assets	124.49	110.88
Actuarial gain / (loss) on plan assets	143.08	(110.44)
<b>Actual return on plan assets</b>	<b>267.57</b>	<b>0.44</b>
<b>D. Reconciliation of present value of the defined benefit obligation and the fair value of the plan assets</b>		
Present value of defined benefit obligations at the end of the year	2,667.98	1,989.49
Fair value of plan assets	2,347.01	1,841.48
<b>Net liability recognised in balance sheet</b>	<b>320.97</b>	<b>148.01</b>
The liability in respect of the gratuity plan comprises of the following non-current and current portions:		
Current	320.97	148.01
Non-current	-	-
	<b>320.97</b>	<b>148.01</b>
<b>E. Expense recognised in statement of profit and loss</b>		
Current service cost	373.26	284.04
Past Service Cost	-	212.36
Interest cost	120.44	87.30
Expected return on plan assets	(124.49)	(110.88)
<b>Net cost recognized in the statement of profit and loss</b>	<b>369.21</b>	<b>472.82</b>
<b>F. Remeasurements recognised in other comprehensive income</b>		
Actuarial loss / (gain) on defined benefit obligation	370.34	279.75
Actuarial loss/ (gain) on plan assets	(143.08)	110.44
	<b>227.26</b>	<b>390.19</b>

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 35 Employee benefits(Contd..)

Particulars	As at 31 March 2026	As at 31 March 2025
<b>G. Assumptions at balance sheet date</b>		
Discount rate (refer note (c))	5.99%	6.35%
Interest rate (rate of return on assets)	5.99%	6.35%
Future salary increase (refer note (a))	12.28%	13.79%
Mortality table	Indian Assured Lives (2012 - 14)	Indian Assured Lives (2012 - 14)
Attrition rate (refer note (a))	57.68%	54.14%

Notes:

- The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors. Further, the Management re-visits the assumptions such as attrition rate, salary escalation etc., taking into account, the business conditions, various external / internal factors affecting the Company.
- During the Financial year 2023-24, the Company established a trust for the purpose of covering the gratuity payable to employees as per Payment of Gratuity Act, 1972 in association with SBI Life Insurance Company Limited.
- Discount rate is based on the prevailing market yields of Indian Government Bonds as at the balance sheet date for the estimated term of the obligation.
- Experience adjustments:**

Particulars	As at 31 March 2026	As at 31 March 2025
Defined benefit obligation	2,667.98	1,989.49
Fair value of plan assets	2,347.01	1,841.48
Surplus / (deficit)	(320.97)	(148.01)
Experience adjustments on plan liabilities - (loss) / gain	(518.31)	(359.51)
Impact of Change in Assumptions on Plan Liabilities-(loss)/gain	147.97	79.75
Actuarial gain / (loss) on plan assets	143.08	(110.44)

- Sensitivity analysis:**

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

Particulars	As at 31 March 2026	As at 31 March 2025
Discount rate		
- 0.5% increase	(35.36)	(24.40)
- 0.5% decrease	15.75	17.64
Future salary growth		
- 0.5% increase	14.95	17.04
- 0.5% decrease	(35.22)	(24.29)
Attrition rate		
-0.5% increase	(22.20)	(12.68)
-0.5% decrease	2.36	5.67

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

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 35 Employee benefits(Contd..)

### Additional disclosures under Ind AS 19

Particulars	As at 31 March 2026	As at 31 March 2025
Average Duration of Defined Benefit Obligations (in years)	2.00	2.25
Projected undiscounted expected benefit outgo		
Year 1	1,342.79	917.90
Year 2	689.63	495.04
Year 3	410.25	325.45
Year 4	236.93	214.03
Year 5	128.81	131.59
Next 5 Years	108.35	136.24
Expected benefit payments for the next annual reporting year	1,342.79	917.90

## 36 Segment information

An operating segment is a Component of the Company that engages in business activities from which it may earn revenue and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Managing Director and Chief Executive Officer ('MD & CEO') to make decisions about resource to be allocated to the segments and assess their performance. The MD & CEO is considered to be the Chief Operating Decision Maker ('CODM') within the purview of Ind AS 108 Operating Segments.

The CODM considers the entire business of the Company on a holistic basis to make operating decisions and thus there are no segregated reporting segments. The Company is primarily engaged in extending credit to micro and small enterprises typically self-employed business and salaried segment. The CODM of the Company reviews the operating results of the Company as a whole and therefore not more than one reportable segment is required to be disclosed by the Company as envisaged by Ind AS 108 Operating Segments. Accordingly, amounts appearing in these financial statements relates to extending credit to micro and small enterprises typically self-employed business and salaried segment.

The Company does not have any separate geographic segment other than India. As such there are no separate reportable segments as per Ind AS 108 Operating Segments.

No single customer accounts for the revenue, which is equal or more than ten percent of the total revenue of the entity, hence no such segment could be identified.

## 37.1 Contingent liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Claims against the Company not acknowledged as debt (refer note 1 below)	8.94	6.14
Income tax and GST related matters (refer note 2 and 3 below)	111.34	-
Bank Guarantee (refer note 4 below)	25.00	25.00

Note:

- (1) Claims against the Company not acknowledged as debt pertains to various claims made by customers against the Company. The Company has evaluated these claims and is of the view that these claims will not result in any material liability to the Company.
- (2) Includes demand amount pursuant to order under section 201(1) and 201(1A) dated 30 October 2025 for financial year 2023-24 to the extent of INR 72.94 lakhs .In this regard, an appeal has been preferred with CIT(Appeals) by the Company.
- (3) Includes demand received in relation to penalty proceedings initiated for FY 2017-18 by the Income tax department to the extent of INR 38.40 lakhs . In this regard, an appeal has been preferred with CIT(Appeals) by the Company.
- (4) Bank Guarantee pertains to guarantee provided to BSE Ltd. towards Expense Recovery Fund in connection with the listed debt securities.

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 37.2 Commitments

Particulars	As at 31 March 2026	As at 31 March 2025
Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for:		
- Future lease payments for non cancellable lease contracts - also refer note 18.1	194.77	589.26
- Commitment to purchase property, plant and equipment and intangible assets	191.83	83.46
Undrawn committed sanctions to borrowers	12,677.85	12,898.41

## 38 Earnings per share (EPS)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Profit for the year	33,039.48	29,511.16
Weighted average number of shares outstanding during the year for calculation of basic EPS**	<b>13,12,84,209</b>	<b>13,15,24,993</b>
<b>Effect of dilutive potential shares:</b>		
Employee stock options and share warrants	9,49,025	10,91,470
<b>Weighted average number of shares outstanding during the year for calculation of diluted EPS**</b>	<b>13,22,33,234</b>	<b>13,26,16,463</b>
Face value per share	10.00	10.00
Earnings per share (in INR)		
- Basic	25.17	22.44
- Diluted	24.99	22.25

\*\*The weighted average number of shares includes equity shares and compulsorily convertible preference shares.

## 39 Hedging activities and derivatives

The Company is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are foreign currency risk.

The Company's risk management strategy and how it is applied to manage risk are explained in Note 46.

Derivatives designated as hedging instruments

Cash flow hedges

Foreign currency risk:

Foreign exchange forward contracts are designated as hedging instruments in cash flow hedges of forecast repayment of borrowings in US dollar. These forecast transactions are highly probable, and they comprise for the 100% of the Company's exposure in US dollars. The foreign exchange forward contract balances vary with the level of expected foreign currency changes in foreign exchange forward rates.

There is an economic relationship between the hedged items and the hedging instruments as the terms of the foreign exchange match the terms of the expected highly probable forecast transactions (i.e., notional amount and expected payment date). The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the foreign exchange are identical to the hedged risk components. To test the hedge effectiveness, the Company uses the hypothetical derivative method and compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks.

The hedge ineffectiveness can arise from:

- Differences in the timing of the cash flows of the hedged items and the hedging instruments
- Different indexes (and accordingly different curves) linked to the hedged risk of the hedged items and hedging instruments
- The counterparties' credit risk differently impacting the fair value movements of the hedging instruments and hedged items

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 39 Hedging activities and derivatives (Contd..)

d) Changes to the forecasted amount of cash flows of hedged items and hedging instruments

The Company is holding the following foreign exchange forward contracts

Particulars	Maturity					Total
	Less than 1 month	1 to 3 months	3 to 6 months	6 to 9 months	9 to 12 months	
<b>At 31 March 2026</b>						
Foreign exchange forward contracts (highly probable forecast sales)						
Notional amount (in INR lacs)	-	27,200.00	-	-	-	27,200.00
Average forward rate (INR/USD)	-	91.47	-	-	-	91.47
<b>At 31 March 2025</b>						
Foreign exchange forward contracts (highly probable forecast sales)	-	-	-	-	-	-
Notional amount (in INR lacs)	-	-	-	-	-	-
Average forward rate (INR/USD)	-	-	-	-	-	-

The impact of the hedging instruments on the balance sheet is, as follows:

Particulars	Notional amount	Carrying amount	Line item in the balance sheet	Change in fair value used for measuring ineffectiveness for the period
<b>At 31 March 2026</b>				
Foreign exchange forward contracts	27,200.00	1,249.87	Derivative financial instrument (Assets)	-
<b>At 31 March 2025</b>				
Foreign exchange forward contracts	-	-	-	-

The impact of hedged items on the balance sheet is, as follows:

Particulars	As at 31 March 2026			As at 31 March 2025		
	Change in fair value used for measuring ineffectiveness	Effective portion of cash flow hedges	Cost of cash flow hedges	Change in fair value used for measuring ineffectiveness	Effective portion of cash flow hedges	Cost of cash flow hedges
Foreign exchange forward contract – for repayment of borrowings	-	(78.36)	-	-	-	-

The effect of the cash flow hedge in the statement of profit and loss is, as follows:

Particulars	Total hedging gain/(loss) recognised in OCI	Ineffectiveness recognised in profit or loss	Line item in the statement of profit and loss	Cost of hedging recognise in OCI	Amount reclassified from OCI to profit or loss	Line item in the statement of profit and loss
<b>Year ended 31 March 2026</b>						
Foreign exchange forward contract	(104.71)	-	-	-	-	-
<b>Year ended 31 March 2025</b>						
Foreign exchange forward contract	-	-	-	-	-	-

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 39 Hedging activities and derivatives (Contd..)

### Impact of hedging on equity

Set out below is the reconciliation of each component of equity and the analysis of other comprehensive income:

Particulars	Effective portion of cash flow hedges	Cost of cash flow hedges
<b>As at 1 April 2024</b>		
Effective portion of changes in fair value arising from:		
Foreign exchange forward contracts	-	-
<b>As at 1 April 2025</b>		
Effective portion of changes in fair value arising from:		
Foreign exchange forward contracts	(78.36)	-
<b>As at 31 March 2026</b>	<b>(78.36)</b>	<b>-</b>

The notional amounts in the above table refers to the foreign currency borrowing on which the Company has hedged the risk of foreign currency fluctuations. The Company has entered into Derivative Contracts, with scheduled banks with Investment grade credit rating. Derivatives are fair valued using inputs that are directly or indirectly observable in market place. There have been no transfer between Level 1 and Level 2 during the year. The Asset Liability Management Committee periodically monitors and reviews the risks involved.

## 40 Related party transactions

### 40.1 Names of related parties and nature of relationship

Key Managerial Personnel	Mr. Abhijit Sen, Independent Director (Upto 21 May 2024) Mr. M Sivaraman, Independent Director (Upto 21 May 2024) Mr. N Mohan Raj, Independent Director (Upto 21 May 2024) Mr. Suresh Subramanian, Independent Director (upto 31 March 2026) Mr. Mathew Joseph, Independent Director Mr. Sankarson Banerjee, Independent Director (effective from 20 April 2024) (additional director for the period 27 March 2024 to 19 April 2024) Mr. Raj Vikash Verma, Non- Executive Chairman & Independent Director (effective from 30 September 2024) (additional director for the period 16 July 2024 to 29 September 2024) Ms. Susan Thomas, Independent Director (effective from 30 September 2024) (additional director for the period 16 July 2024 to 29 September 2024) Mr. D. Arulmany, Managing Director and Chief Executive Officer Mr. V.G. Suchindran, Chief Financial Officer (Upto 13 September 2024) Ms. S V Laxmi, Chief Financial Officer (Effective from 16 September 2024 to 02 March 2025) Mr. Naveen Raj R, Chief Financial Officer (Effective from 03 March 2025) Ms. V. Aruna, Company Secretary and Compliance Officer
Entity with significant influence by key management personnel	- Veritas Foundation*
Post Employment Benefit Funds	- Veritas Employees Gratuity Trust

\*The Veritas Foundation is a trust established to undertake the CSR activities of the Company, in which significant influence is exercised by Key Management Personnel. However, the Veritas Foundation does not meet the definition of control as defined under Ind AS 110 - Consolidated Financial Statements; therefore, the requirement to prepare consolidated financial statements is not applicable.

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 40 Related party transactions (Contd..)

### 40.2 Transactions during the year

Particulars	As at 31 March 2026	As at 31 March 2025
<b>Veritas Foundation</b>		
CSR contribution	368.74	598.94
<b>Veritas Employees Gratuity Trust</b>		
Contribution	423.55	0.02
<b>Remuneration to Key Managerial Personnel</b>		
<b>Short-term employee benefits</b>		
Mr. D. Arulmany	387.31	274.88
Mr. V.G. Suchindran	-	70.08
Ms. S V Laxmi	-	21.29
Mr. Naveen Raj R	175.72	13.37
Ms. V. Aruna	22.87	17.81
<b>Post employment benefits</b>		
Mr. V.G. Suchindran	-	93.24
<b>Share based payments</b>		
Ms. S V Laxmi	-	1.92
Mr. Naveen Raj R	227.01	18.53
Ms. V. Aruna	18.61	4.52
<b>Director sitting fees - Short term</b>		
Mr. Abhijit Sen	-	1.00
Mr. M Sivaraman	-	0.75
Mr. N Mohan Raj	-	1.25
Mr. Suresh Subramanian	10.10	15.80
Mr. Mathew Joseph	11.60	15.20
Mr. Sankarson Banerjee	11.10	11.95
Mr. Raj Vikash Verma	6.60	8.30
Ms. Susan Thomas	7.60	9.30
<b>Commission to Directors - Short term</b>		
Mr. Suresh Subramanian	25.00	20.00
Mr. Mathew Joseph	25.00	20.00
Mr. Sankarson Banerjee	25.00	20.00
Mr. Raj Vikash Verma	35.00	30.00
Ms. Susan Thomas	25.00	20.00
<b>Forfeiture of partly paid up shares</b>		
Mr. V.G. Suchindran	-	8.00
<b>Receipt of pending call money of partly paid up shares</b>		
Mr. D. Arulmany	-	334.19
<b>Receipt of securities premium**</b>		
Mr. D. Arulmany	-	11,376.59

\*\*Amount excludes transfer from Share Based Payment reserve to Securities Premium on exercise of employee stock option

Note: Amount disclosed above does not include post employment benefit attributable to Key Managerial Personnel & other non-monetary perquisites given to Key Managerial Personnel as per terms of employment.

### 40.3 Balances as at the year-end:

Particulars	As at 31 March 2026	As at 31 March 2025
<b>Employee Benefits Payable</b>		
Mr. D. Arulmany	70.00	58.50
Mr. Naveen Raj R	37.50	2.59
Ms. V. Aruna	2.50	1.58
<b>Director Commission Payable</b>		
Mr. Suresh Subramanian	25.00	20.00

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 40 Related party transactions (Contd..)

Particulars	As at 31 March 2026	As at 31 March 2025
Mr. Mathew Joseph	25.00	20.00
Mr. Sankarson Banerjee	25.00	20.00
Mr. Raj Vikash Verma	35.00	30.00
Ms. Susan Thomas	25.00	20.00

### 40.4 Terms and conditions of transactions with related parties

All the transactions with the related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances as at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

## 41 Micro and small enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the Micro, Small and Medium Enterprise Development Act, 2006 ('MSMED Act, 2006'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2026 and 31 March 2025 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date.

Particulars	As at 31 March 2026	As at 31 March 2025
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year		
- Principal	218.81	144.16
- Interest	-	-
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	-	-
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 period) but without adding the interest specified under the MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
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 MSMED Act, 2006.	-	-

Based on information received from the suppliers, the management has identified the enterprises which have provided services to the Company and which qualify under the definition of micro, medium and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act"). Such determination / identification for the purpose of presentation under this disclosure has been done on the basis of information received and available with the Company which has been solely relied upon by the auditors.

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 42 Employee Stock Option Scheme (ESOS)

On 08 January 2016, the shareholders of the Company have approved the Veritas Employees Stock Option Scheme (Veritas ESOS A), 2016. Under the plan, the Company is authorized to issue 3,000,000 equity shares of INR 10 each to eligible employees. Employees covered by the plan are granted an option to purchase shares of the Company subject to certain vesting conditions. The plan is administered by the 'Nomination and Remuneration Committee' constituted by the Board of Directors of the Company.

On 26 February 2018, the shareholders of the Company have approved the Veritas Employees Stock Option Scheme (Veritas ESOS B), 2018. Under the plan, the Company is authorized to issue 1,000,000 equity shares of INR 10 each to eligible employees. Employees covered by the plan are granted an option to purchase shares of the Company subject to certain vesting conditions. The plan is administered by the 'Nomination and Remuneration Committee' constituted by the Board of Directors of the Company.

On 22 November 2018, the shareholders of the Company have approved the Veritas Employees Stock Option Scheme (Veritas ESOS C), 2018. Under the plan, the Company is authorized to issue 2,000,000 equity shares of INR 10 each to eligible employees. Employees covered by the plan are granted an option to purchase shares of the Company subject to certain vesting conditions. The plan is administered by the 'Nomination and Remuneration Committee' constituted by the Board of Directors of the Company.

On 11 February 2021, the shareholders of the Company have approved the Veritas Employees Stock Option Scheme, 2021 (Veritas ESOS, 2021). Under the plan, the Company is authorized to issue 1,000,000 equity shares of INR 10/- each to eligible employees. Employees covered by the plan are granted an option to purchase shares of the Company subject to certain vesting conditions. The plan is administered by the 'Nomination and Remuneration Committee' constituted by the Board of Directors of the Company.

On 15 March 2024, the shareholders of the Company have approved the Veritas Employees Stock Option Scheme, 2024 (Veritas ESOS, 2024). Under the plan, the Company is authorized to issue 2,000,000 equity shares of INR 10/- each to eligible employees. Employees covered by the plan are granted an option to purchase shares of the Company subject to certain vesting conditions. The plan is administered by the 'Nomination and Remuneration Committee' constituted by the Board of Directors of the Company.

The table below summarises the movement of options across various schemes of the Company:

Particulars	Veritas ESOS A, 2016	Veritas ESOS B, 2018	Veritas ESOS C, 2018	Veritas ESOS, 2021	Veritas ESOS, 2024	Total
Total size of the options granted	30,00,000	10,00,000	20,00,000	10,00,000	20,00,000	90,00,000
Granted options	30,50,000	11,62,500	25,75,000	11,80,000	18,74,167	98,41,667
Options cancelled and added back to the scheme	88,500	1,73,400	7,48,850	2,63,500	6,03,333	18,77,583
Net options granted	29,61,500	9,89,100	18,26,150	9,16,500	12,70,834	79,64,084
Balance options available for future grants	38,500	10,900	1,73,850	83,500	7,29,166	10,35,916
Options exercised	29,61,500	8,35,350	10,53,650	24,500	-	48,75,000
Options vested but yet to be exercised	-	1,18,750	6,78,750	5,09,750	6,00,834	19,08,084

The Company uses fair value to account for the compensation cost of stock options to employees in the financial statements. The following are the vesting pattern of ESOS:

Particulars	Veritas ESOS A, 2016	Veritas ESOS B, 2018	Veritas ESOS C, 2018	Veritas ESOS, 2021	Veritas ESOS, 2024
At the end of one year of service from grant date	30%	20%	20%	20%	20%
At the end of two years	35%	25%	25%	25%	25%
At the end of three years	35%	25%	25%	25%	25%
At the end of four years	-	30%	30%	30%	30%

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 42 Employee Stock Option Scheme (ESOS)(Contd..)

Note: As per the respective scheme document, unless otherwise determined by the Board or set out in the letter of grants, all options granted shall vest as above.

For details of schemes with a vesting period of 1 year as at 31 March 2026 and 31 March 2025, refer note 42.1 below.

### 42.1 Options outstanding under Veritas ESOS

As at 31 March 2026, the outstanding options under the Veritas ESOS, 2021, Veritas ESOS, October 2018, Veritas ESOS, 2018, Veritas ESOS, 2016 and Veritas ESOS, 2024 are as follows:

Plan	Grant date	Number of options	Exercise price in INR	Weighted average remaining contractual life including exercise period (in years)	Vesting period	Vesting condition
ESOS 2018 C Batch 2	26-Apr-19	85,500	125.00	0.07	1 to 4 years	Time and performance based vesting
ESOS 2018 B Batch 2	15-Jun-20	41,250	160.00	1.21	1 to 4 years	Time and performance based vesting
ESOS 2018 C Batch 3	15-Jun-20	3,74,000	160.00	1.21	1 to 4 years	Time and performance based vesting
ESOS 2021 Batch 1	05-Aug-21	1,12,000	225.00	2.35	1 to 4 years	Time and performance based vesting
ESOS 2021 Batch 2	19-Sep-22	3,00,000	350.00	3.47	1 to 4 years	Time and performance based vesting
ESOS 2018 B Batch 3	30-Jan-23	1,10,000	375.00	3.83	1 to 4 years	Time and performance based vesting
ESOS 2018 C Batch 4	30-Jan-23	2,55,500	375.00	3.83	1 to 4 years	Time and performance based vesting
ESOS 2021 Batch 3	30-Jan-23	25,000	375.00	3.83	1 to 4 years	Time and performance based vesting
ESOS 2018 C Batch 5	26-Oct-23	15,000	475.00	4.57	1 to 4 years	Time and performance based vesting
ESOS 2021 Batch 4	26-Oct-23	1,05,000	475.00	4.57	1 to 4 years	Time and performance based vesting
ESOS 2021 Batch 5	30-Jan-24	2,00,000	475.00	4.83	1 to 4 years	Time and performance based vesting
ESOS 2024 Batch 1	27-Mar-24	1,33,334	75.00	1.99	1 year	Time and performance based vesting
ESOS 2024 Batch 2	16-Jul-24	1,00,000	600.00	5.29	1 to 4 years	Time and performance based vesting
ESOS 2021 Batch 6	16-Jul-24	50,000	600.00	5.29	1 to 4 years	Time and performance based vesting
ESOS 2021 Batch 7	06-Sep-24	35,000	600.00	5.44	1 to 4 years	Time and performance based vesting
ESOS 2018 B Batch 4	06-Sep-24	2,500	600.00	5.44	1 to 4 years	Time and performance based vesting
ESOS 2018 C Batch 6	06-Sep-24	15,000	600.00	5.44	1 to 4 years	Time and performance based vesting
ESOS 2024 Batch 3	06-Sep-24	3,75,000	600.00	5.44	1 to 4 years	Time and performance based vesting
ESOS 2024 Batch 4	09-Jan-25	70,000	625.00	5.78	1 to 4 years	Time and performance based vesting
ESOS 2024 Batch 5	09-Jan-25	3,02,500	625.00	2.78	1 Year	Time and performance based vesting
ESOS 2021 Batch 8	09-Jan-25	10,000	625.00	2.78	1 Year	Time and performance based vesting

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 42 Employee Stock Option Scheme (ESOS)(Contd..)

Plan	Grant date	Number of options	Exercise price in INR	Weighted average remaining contractual life including exercise period (in years)	Vesting period	Vesting condition
ESOS C 2018 Batch 7	09-Jan-25	27,500	625.00	2.78	1 Year	Time and performance based vesting
ESOS 2024 Batch 6	03-Mar-25	2,00,000	625.00	5.92	1 to 4 years	Time and performance based vesting
ESOS 2021 Batch 9	03-Mar-25	5,000	625.00	5.92	1 to 4 years	Time and performance based vesting
ESOS 2021 Batch 10	03-Mar-25	5,000	625.00	2.93	1 Year	Time and performance based vesting
ESOS 2021 Batch 11	30-Apr-25	45,000	625.00	6.08	1 to 4 years	Time and performance based vesting
ESOS 2024 Batch 7	30-Apr-25	90,000	625.00	6.08	1 to 4 years	Time and performance based vesting
		<b>30,89,084</b>				

As at 31 March 2025, the outstanding options under the Veritas ESOS, 2021, Veritas ESOS, October 2018, Veritas ESOS, 2018, Veritas ESOS, 2016 and Veritas ESOS, 2024 are as follows:

Plan	Grant date	Number of options	Exercise price in INR	Weighted average remaining contractual life including exercise period (in years)	Vesting period	Vesting condition
ESOS 2018 C Batch 2	26-Apr-19	91,500	125.00	1.07	1 to 4 years	Time and performance based vesting
ESOS 2018 B Batch 2	15-Jun-20	41,250	160.00	2.21	1 to 4 years	Time and performance based vesting
ESOS 2018 C Batch 3	15-Jun-20	3,74,000	160.00	2.21	1 to 4 years	Time and performance based vesting
ESOS 2021 Batch 1	05-Aug-21	1,20,000	225.00	3.35	1 to 4 years	Time and performance based vesting
ESOS 2021 Batch 2	19-Sep-22	3,00,000	350.00	4.47	1 to 4 years	Time and performance based vesting
ESOS 2018 B Batch 3	30-Jan-23	1,20,000	375.00	4.83	1 to 4 years	Time and performance based vesting
ESOS 2018 C Batch 4	30-Jan-23	3,85,000	375.00	4.83	1 to 4 years	Time and performance based vesting
ESOS 2021 Batch 3	30-Jan-23	35,000	375.00	4.83	1 to 4 years	Time and performance based vesting
ESOS 2018 C Batch 5	26-Oct-23	40,000	475.00	5.57	1 to 4 years	Time and performance based vesting
ESOS 2021 Batch 4	26-Oct-23	1,05,000	475.00	5.57	1 to 4 years	Time and performance based vesting
ESOS 2021 Batch 5	30-Jan-24	2,50,000	475.00	5.83	1 to 4 years	Time and performance based vesting
ESOS 2024 Batch 1	27-Mar-24	1,33,334	75.00	2.99	1 year	Time and performance based vesting
ESOS 2024 Batch 2	16-Jul-24	1,00,000	600.00	6.29	1 to 4 years	Time and performance based vesting
ESOS 2021 Batch 6	16-Jul-24	50,000	600.00	6.29	1 to 4 years	Time and performance based vesting
ESOS 2021 Batch 7	06-Sep-24	40,000	600.00	6.44	1 to 4 years	Time and performance based vesting
ESOS 2018 B Batch 4	06-Sep-24	2,500	600.00	6.44	1 to 4 years	Time and performance based vesting

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 42 Employee Stock Option Scheme (ESOS)(Contd..)

Plan	Grant date	Number of options	Exercise price in INR	Weighted average remaining contractual life including exercise period (in years)	Vesting period	Vesting condition
ESOS 2018 C Batch 6	06-Sep-24	27,500	600.00	6.44	1 to 4 years	Time and performance based vesting
ESOS 2024 Batch 3	06-Sep-24	4,35,000	600.00	6.44	1 to 4 years	Time and performance based vesting
ESOS 2024 Batch 4	09-Jan-25	3,50,000	625.00	6.78	1 to 4 years	Time and performance based vesting
ESOS 2024 Batch 5	09-Jan-25	3,35,000	625.00	3.78	1 Year	Time and performance based vesting
ESOS 2021 Batch 8	09-Jan-25	10,000	625.00	3.78	1 Year	Time and performance based vesting
ESOS C 2018 Batch 7	09-Jan-25	27,500	625.00	3.78	1 Year	Time and performance based vesting
ESOS 2024 Batch 6	03-Mar-25	2,00,000	625.00	6.92	1 to 4 years	Time and performance based vesting
ESOS 2021 Batch 9	03-Mar-25	5,000	625.00	6.92	1 to 4 years	Time and performance based vesting
ESOS 2021 Batch 10	03-Mar-25	5,000	625.00	3.93	1 Year	Time and performance based vesting
		<b>35,82,584</b>				

### 42.2 Reconciliation of outstanding options

The details of options granted under the above schemes are as follows.

Particulars	As at 31 March 2026		As at 31 March 2025	
	Weighted average exercise price per option	Number of options	Weighted average exercise price per option	Number of options
Outstanding at beginning of year	442.65	35,82,584	292.54	22,95,917
Forfeited during the year	538.80	(6,58,500)	313.68	(3,30,333)
Exercised during the year	-	-	143.16	(53,000)
Granted during the year	625.00	1,65,000	614.00	16,70,000
Outstanding as at end of year	<b>431.89</b>	<b>30,89,084</b>	<b>442.65</b>	<b>35,82,584</b>
Vested and exercisable as at end of year	<b>360.16</b>	<b>19,08,084</b>	<b>239.39</b>	<b>11,76,584</b>

The weighted average share price on the date of exercise of options during the year ended 31 March 2026 is Rs.Nil (31 March 2025 is Rs. 612.58).

### 42.3 Expense recognised in the statement of profit and loss

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Expense arising from equity-settled share-based payment transactions	1,579.29	1,933.12

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 42 Employee Stock Option Scheme (ESOS)(Contd..)

### 42.4 Fair value methodology

The fair value of options have been estimated on the dates of each grant using the Black Scholes model. The various inputs considered in the pricing model for the stock options granted by the Company during the years are as follows:

Particulars	As at 31 March 2026	As at 31 March 2025
Share price on Grant date (In INR)	674.46	643.71 - 674.46
Exercise price (In INR)	625.00	600.00 - 625.00
Fair value of options at grant date	196.95 - 312.55	189.91 - 317.48
Expected volatility	30.32% - 34.64%	28.27% - 34.55%
Option term	2.56 - 5.56 years	2.56 - 5.56 years
Expected dividends	Nil	Nil
Risk free interest rate	5.91% - 6.07%	6.50% - 6.86%
Weighted average remaining contractual life (in years)	6.08	4.87

## 43 Financial instrument- Transferred financial assets that are not derecognised in their entirety

### A. Securitisation

By entering into securitisation arrangement, the Company has not transferred substantially all risks and rewards, hence this does not meet the derecognition criteria as set out in Ind AS 109. As a originator and servicer of the securitised loan receivable accounts, the Company continues to be responsible for collection of receivables from its borrowers and depositing the same in collection and payout account for making scheduled payouts to the investors.

The details of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

Particulars	31 March 2026	31 March 2025
Carrying amount of transferred assets measured at amortised cost	1,08,867.03	97,739.76
Carrying amount of associated liabilities	80,985.14	77,667.23
Fair value of assets	1,11,590.89	96,293.86
Fair value of associated liabilities	81,699.46	78,242.72
Net position at fair value	29,891.43	18,051.14

### B) Direct assignment

The Company during the year ended 31 March 2026, transferred certain loans (measured at amortised cost) by way of direct bilateral assignment, as a source of finance.

As per the terms of these deals, since substantial risk and rewards related to these assets were 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 amortised cost and the gain/(loss) on derecognition, per type of asset.

Particulars	31 March 2026	31 March 2025
Aggregate amount of loans transferred through assignment	8,654.24	7,207.85
Weighted average maturity (in years)	7.36	10.24
Weighted average holding period (in years)	1.23	1.32
Retention of beneficial economic interest	961.58	800.87
Tangible security coverage	-	-
Rating-wise distribution of rated loans	-	-

## 44 Capital

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the regulator, Reserve Bank of India (RBI). The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI.

The Company has complied in full with all its externally imposed capital requirements over the reporting period.

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 44 Capital(Contd..)

### Capital Management

The primary objectives of the Company's capital management policy is to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Company manages its capital structure and makes adjustments to it according to the changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years.

#### i Net Debt to Equity Ratio

Consistent with the others in industry, the Company monitors the capital on the basis of gearing ratio (Net debt divided by equity). Under the terms of the major borrowing facilities, the Company is required to maintain the gearing ratio in line with the RBI guidelines or in a slightly more conservative manner. The actual gearing stipulated differs between the various lending agreements.

Particulars	As at 31 March 2026	As at 31 March 2025
<b>Equity</b>	<b>3,12,687.84</b>	<b>2,78,317.46</b>
a. Debt securities	95,585.28	56,830.92
b. Borrowings (other than debt securities)	6,41,824.42	5,06,093.28
c. Cash and Cash equivalents	81,930.35	53,821.85
<b>Net Debt (a+b-c)</b>	<b>6,55,479.35</b>	<b>5,09,102.36</b>
<b>Net Debt to Equity Ratio</b>	<b>2.10</b>	<b>1.83</b>

#### ii Capital Adequacy ratio

The Company has to mandatorily comply with the capital adequacy requirements stipulated by Reserve Bank of India from time to time. Capital adequacy ratio or capital-to-risk weighted assets ratio (CRAR) is computed by dividing company's Tier I and Tier II capital by risk weighted assets.

Tier I capital comprised of share capital, share premium, retained earnings including respective year profit and Tier II capital comprises of provision on standard assets. Risk weighted assets represents the weighted sum of Company's credit exposures based on their risk.

Particulars	As at 31 March 2026	As at 31 March 2025
Tier I Capital	2,76,944.18	2,50,065.55
Tier II Capital	-	-
<b>Total Capital</b>	<b>2,76,944.18</b>	<b>2,50,065.55</b>
<b>Risk weighted assets</b>	<b>8,34,369.45</b>	<b>6,61,240.37</b>
Capital Ratios		
Tier I Capital (%)	33.19%	37.82%
Tier II Capital (%)	-	-
<b>CRAR (%)</b>	<b>33.19%</b>	<b>37.82%</b>
Amount of subordinated debt raised as Tier-II capital	-	-
Amount raised by issue of Perpetual Debt Instruments	-	-

Note 1: Tier I capital consists of shareholders' equity and retained earnings. Tier II Capital consists of general provision and loss reserve against stage 1 assets. Credit enhancement relating to securitisation has been adjusted against Tier I and Tier II capital in accordance with RBI circular DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020. Tier 1 and Tier II capital has been reported on the basis of Ind AS financial information. Risk weighted assets represents the weighted sum of company's credit exposures based on their risk as prescribed by RBI guidelines.

Note 2: As on 31 March 2026 and 31 March 2025, the first loss credit enhancement on securitisation transactions exceeded the provisions for Standard Assets (which forms part of tier II capital). Consequently, the excess amount of first loss credit enhancement has been adjusted against tier 1 capital.

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 45 Fair Value Measurement

### a. Financial instruments by category

The carrying value and fair value of financial instruments by categories as of 31 March 2026 were as follows:

Particulars	Carrying amount			Total carrying value
	Amortised cost	Fair value through profit and loss	Fair value through OCI	
<b>Financial Assets:</b>				
Cash and cash equivalents	81,930.35	-	-	81,930.35
Bank balances other than cash and cash equivalents	48,140.85	-	-	48,140.85
Derivative financial instruments	-	-	1,249.87	1,249.87
Receivables	81.14	-	-	81.14
Loans	8,93,342.50	-	-	8,93,342.50
Investments	6,020.35	10,006.90	-	16,027.25
Other financial assets	6,673.17	-	-	6,673.17
<b>Total</b>	<b>10,36,188.36</b>	<b>10,006.90</b>	<b>1,249.87</b>	<b>10,47,445.13</b>
<b>Financial Liabilities:</b>				
Trade payables	1,403.87	-	-	1,403.87
Debt securities	95,585.28	-	-	95,585.28
Borrowings (Other than debt securities)	6,41,824.42	-	-	6,41,824.42
Other financial liabilities (including lease liabilities)	8,320.92	-	-	8,320.92
<b>Total</b>	<b>7,47,134.49</b>	<b>-</b>	<b>-</b>	<b>7,47,134.49</b>

The carrying value and fair value of financial instruments by categories as of 31 March 2025 were as follows:

Particulars	Carrying amount			Total carrying value
	Amortised cost	Fair value through profit and loss	Fair value through OCI	
<b>Financial Assets:</b>				
Cash and cash equivalents	53,821.85	-	-	53,821.85
Bank balances other than cash and cash equivalents	41,940.97	-	-	41,940.97
Receivables	38.05	-	-	38.05
Loans	7,18,787.81	-	-	7,18,787.81
Investments	5,049.32	12,020.19	-	17,069.51
Other financial assets	5,758.30	-	-	5,758.30
<b>Total</b>	<b>8,25,396.30</b>	<b>12,020.19</b>	<b>-</b>	<b>8,37,416.49</b>
<b>Financial Liabilities:</b>				
Trade payables	618.52	-	-	618.52
Debt securities	56,830.92	-	-	56,830.92
Borrowings (Other than debt securities)	5,06,093.28	-	-	5,06,093.28
Other financial liabilities (including lease liabilities)	7,624.98	-	-	7,624.98
<b>Total</b>	<b>5,71,167.70</b>	<b>-</b>	<b>-</b>	<b>5,71,167.70</b>

For all the assets and liabilities of the Company which are not carried at fair value, separate disclosure is not made as the carrying amounts approximates the fair value, except as stated below:

- the fair value of loans, investments, debt securities and borrowings (other than debt securities) as at 31 March 2026 amounted to INR 9,19,081.05 lakhs, INR 16,096.00 lakhs, INR 96,582.41 lakhs and INR 6,42,640.80 lakhs respectively. (As at 31 March 2025 amounted to INR 7,30,683.39 lakhs, INR 17,154.89 lakhs, INR 60,967.65 lakhs and INR 5,07,262.80 lakhs respectively).

This estimation is determined based on inputs where one or more unobservable input is significant to the measurement of the instrument as a whole (level 3), except for cash and cash equivalents, bank balances other than cash and cash equivalents and investment in government securities where such estimation is determined based on unadjusted quoted prices from active markets for identical assets (level 1). There are no transfers between different levels during the year.

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 45 Fair Value Measurement

- b. The Company enters into derivative financial instruments with Banks. Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity. As at 31 March 2026, the mark-to-market value of other derivative asset positions is net of a credit valuation adjustment attributable to derivative counterparty default risk. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships and other financial instruments recognised at fair value.

The fair value of Derivatives are determined using inputs that are directly or indirectly observable in market place

Quantitative disclosures of fair value measurement hierarchy for assets as at 31 March 2026

Particulars	Fair value measurement using				
	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant observable inputs (Level 3)
Assets measured at fair value:					
Derivative financial assets (Note 39):					
Foreign exchange forward contracts - US dollar	31-Mar-26	1,249.87	-	-	1,249.87

## 46 Financial risk management objectives and policies

The Company's activities expose it to a variety of financial risks, as listed below apart from various operating and business risks.

Market risk

Credit risk

Liquidity risk and

Foreign currency risk

This note explains the sources of risks arising from financial instruments which the entity is exposed to and how the Company manages the risk.

### Risk management framework

The Company's board of directors and risk committee have overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors and risk management council along with the top management are responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor the risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's risk management council oversees how 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.

### Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities or activities in the same geographical region or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political and other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry or geographical location.

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 46 Financial risk management objectives and policies(Contd..)

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

### (i) Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and other prices will affect the Company's income or the value of holdings of financial instruments. The Company does not have exposure to currency risk and security price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return.

#### Interest rate risk

Interest rate risk primarily arises from borrowings with variable rates. The Company's borrowings are carried at amortised cost. The borrowings with fixed rate are therefore not subject to interest rate risk as defined in Ind AS 107 since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The interest rate profile of the Company's interest bearing financial instruments based on loan outstanding is as follows:

Particulars	As at 31 March 2026	As at 31 March 2025
<b>Fixed rate instruments</b>		
Financial assets	7,99,583.14	6,44,899.27
Financial liabilities	1,97,571.62	1,45,786.16
<b>Variable rate instruments</b>		
Financial assets	1,95,249.08	1,42,434.45
Financial liabilities	5,39,838.08	4,17,138.04

Cash flow sensitivity analysis for variable-rate instruments:

Particulars	Profit / loss		Equity, net of tax	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
<b>31 March 2026</b>				
Variable-rate instruments	(2,705.22)	2,705.22	(2,024.37)	2,024.37
<b>Cash flow sensitivity (net)</b>	<b>(2,705.22)</b>	<b>2,705.22</b>	<b>(2,024.37)</b>	<b>2,024.37</b>
<b>31 March 2025</b>				
Variable-rate instruments	(2,350.02)	2,350.02	(1,758.57)	1,758.57
<b>Cash flow sensitivity (net)</b>	<b>(2,350.02)</b>	<b>2,350.02</b>	<b>(1,758.57)</b>	<b>1,758.57</b>

### (ii) Credit risk

#### Loans

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's loans, advances and other financial assets. The carrying amount of financial assets represents the maximum credit exposure. The Company has credit policy approved by the Board of Directors which is subject to annual review. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties. Counterparty limits are established by the use of a credit risk classification system, which assigns each counterparty a risk rating. The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

The disclosure of maximum exposure to credit risk without taking into account any collateral held or other credit enhancements has not been provided for financial assets, as their carrying amount best represent the maximum exposure to credit risk. All the loans provided are secured against mortgage of land and/or building, vehicles except for working capital loans which are unsecured.

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 46 Financial risk management objectives and policies(Contd..)

### Impairment assessment - Expected credit loss ("ECL"):

An impairment analysis is performed at each reporting date based on the facts and circumstances existing on that date to identify expected losses on account of time value of money and credit risk. For the purposes of this analysis, the loan receivables are categorised into groups based on days past due. Each group is then assessed for impairment using the ECL model as per the provisions of Ind AS 109 - Financial Instruments.

ECL on financial assets is an unbiased probability weighted amount based out of possible outcomes after considering risk of credit loss even if probability is low. ECL is calculated based on the following components:

- Probability of default ("PD")
- Loss given default ("LGD")
- Exposure at default ("EAD")
- Discount factor ("D")

### Probability of default:

PD is defined as the probability of whether borrowers will default on their obligations in the future. Historical PD is derived from the internal data which is calibrated with forward looking macroeconomic factors.

For computation of probability of default ("PD"), Z-score transformation model was used to forecast the PD term structure over lifetime of loans. As per given long term PD and current macroeconomic conditions, conditional PD corresponding to current macroeconomic condition is estimated.

### Marginal probability:

The PDs derived from the model, are the cumulative PDs, stating that the borrower can default in any of the given years, however to compute the loss for any given year, these cumulative PDs have to be converted to marginal PDs. Marginal PDs is probability that the obligor will default in a given year, conditional on it having survived till the end of the previous year.

### Conditional marginal probability:

As per Ind AS 109, expected loss has to be calculated as an unbiased and probability-weighted amount for multiple scenarios.

The probability of default was calculated for 3 scenarios: best, worst and base. This weightage has been decided on best practices and expert judgement. Marginal conditional probability was calculated for all 3 possible scenarios and one conditional PD was arrived as conditional weighted probability.

### Staging of loans:

#### Definition of default and cure

The Company considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes 90 days past due on its contractual payments and cases where principal waivers have been made.

It is the Company's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage 3 when the loan becomes zero days past due on its contractual obligations. Such cured loans are classified as Stage 1 after such cure has taken place.

As per Ind AS 109, Company assesses whether there is a significant increase in credit risk at the reporting date from the initial recognition. Company has staged the assets based on the day past dues criteria and other market factors which significantly impacts the portfolio.

Days past dues status	Stage	Provisions
Current	Stage 1	12 Months Provision
1-30 Days	Stage 1	12 Months Provision
31-90 Days#	Stage 2	Life time Provision
90+ Days*	Stage 3	Life time Provision

\*includes loans which have significant increase in credit risk

(\*Includes loans which crossed DPD of 90 days, but did not come back to zero DPD at the time of reporting)

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 46 Financial risk management objectives and policies (continued)

### Exposure at default

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation.

To calculate the EAD for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12 month ECL. However, if a Stage 1 loan that is expected to default in the 12 months from the balance sheet date and is also expected to cure and subsequently default again, then all linked default events are taken into account.

The Company determines EADs by modelling the range of possible exposure outcomes at various points in time, corresponding the multiple scenarios. The PDs are then assigned to each economic scenario based on the outcome of models.

### Loss given default

The credit risk assessment is based on a standardised Loss Given Default (LGD) assessment framework that results in a certain LGD rate. The LGD is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive. It is usually expressed as a percentage of the EAD. The recoveries are discounted back to the default date using customer IRR. This present value of recovery is used for LGD computation. A recovery rate (RR) computed as the ratio of present value of recovery to the EAD  $(1 - RR)$ , gives the LGD.

### Significant increase in credit risk

The Company continuously monitors all assets subject to ECLs. In order to determine whether an instrument or a portfolio of instruments is subject to 12 month ECL or LTECL, the Company assesses whether there has been a significant increase in credit risk since initial recognition. The Company considers the credit risk to be directly proportional to the delinquency status i.e. days past due of the loan under consideration. No further adjustments are made in the PD.

When estimating ECLs on a collective basis for a group of similar assets, the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

### Grouping financial assets measured on a collective basis

The Company calculates ECL on a collective basis for all asset classes.

The Company combines these exposure into smaller homogeneous portfolios, based on the characteristics of the loans, as described below:

Loan type

Geography

### ECL computation

Conditional ECL at DPD pool level was computed with the following method:

$$\text{Conditional ECL} = \text{EAD} * \text{conditional PD} * \text{LGD}$$

The calculation is based on provision matrix which considers actual historical data adjusted appropriately for the future expectations and probabilities. Proportion of expected credit loss provided for across the stage is summarised below:

	Provisions	As at 31 March 2026	As at 31 March 2025
Stage 1	12 month provision	0.87%	0.76%
Stage 2	Life time provision	16.59%	20.54%
Stage 3	Life time provision	44.85%	50.52%

The loss rates are based on actual credit loss experience over past years. Movement in provision of expected credit loss has been provided in note 8.4, note 10.1 and note 19.

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 46 Financial risk management objectives and policies (continued)

### Cash and bank balances

The Company held cash and cash equivalents with credit worthy banks and financial institutions as at the reporting dates which has been measured on the 12 month expected loss basis. The credit worthiness of such banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good with low credit risk.

### Other financial assets

This balance is primarily constituted by security deposits, other receivables and employee loans. The Company does not expect any losses from non-performance by these counter-parties.

### (iii) 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 is bound to comply with the Asset Liability Management guidelines issued by Reserve Bank of India. The Company has Asset Liability Management policy approved by the board and has constituted Asset Liability Committee to oversee the liquidity risk management function of the Company. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's principal sources of liquidity are borrowings, cash and cash equivalents and the cash flow that is generated from operations.

The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived. In addition, the Company maintains the following undrawn borrowing facilities :

Particulars	As at 31 March 2026	As at 31 March 2025
Cash credit facilities	7,300.00	10,002.06
Working capital demand loans	-	-
Term loans	41,412.00	22,646.00
<b>Total</b>	<b>48,712.00</b>	<b>32,648.06</b>

The Cash credit facilities may be overdrawn anytime and may be terminated any time without notice.

### Exposure to liquidity risk

The table below provides details regarding the contractual maturities of financial liabilities and financial assets including interest as at 31 March 2026:

Particulars	Carrying amount	Less than 1 year	1-3 years	3-5 years	More than 5 years
<b>Financial liabilities</b>					
Trade payables	1,403.87	1,403.87	-	-	-
Debt securities	95,585.28	26,962.80	71,126.93	16,351.88	-
Borrowings (other than debt securities)	6,41,824.42	2,68,929.45	3,48,404.70	1,20,355.88	11,042.56
Other financial liabilities (including lease liabilities)	8,320.92	7,243.57	1,185.97	108.18	116.65
<b>Total financial liabilities</b>	<b>7,47,134.49</b>	<b>3,04,539.70</b>	<b>4,20,717.59</b>	<b>1,36,815.94</b>	<b>11,159.22</b>
<b>Financial assets</b>					
Cash and cash equivalents	81,930.35	82,126.00	-	-	-
Bank balances other than cash and cash equivalents	48,140.85	46,028.80	3,036.03	397.41	-
Derivative Financial Instruments	1,249.87	1,249.87	-	-	-
Receivables	81.14	81.14	-	-	-
Loans	8,93,342.50	3,62,739.99	5,55,273.70	3,20,418.39	2,34,909.73
Investments	16,027.25	13,228.14	3,276.44	-	-
Other financial assets	6,673.17	2,983.44	1,982.57	304.55	64.05
<b>Total financial assets</b>	<b>10,47,445.13</b>	<b>5,08,437.38</b>	<b>5,63,568.74</b>	<b>3,21,120.35</b>	<b>2,34,973.78</b>

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 46 Financial risk management objectives and policies (continued)

The table below provides details regarding the contractual maturities of financial liabilities and financial assets including interest as at 31 March 2025:

Particulars	Carrying amount	Less than 1 year	1-3 years	3-5 years	More than 5 years
<b>Financial liabilities</b>					
Trade payables	618.52	618.52	-	-	-
Debt securities	56,830.92	9,719.28	43,361.68	22,093.76	-
Borrowings (other than debt securities)	5,06,093.27	2,23,817.43	2,96,589.34	64,065.27	1,399.51
Other financial liabilities (including lease liabilities)	7,624.98	6,490.42	1,349.55	108.38	11.08
<b>Total financial liabilities</b>	<b>571,167.70</b>	<b>2,40,645.65</b>	<b>3,41,300.57</b>	<b>86,267.41</b>	<b>1,410.59</b>
<b>Financial assets</b>					
Cash and cash equivalents	53,821.85	53,868.31	-	-	-
Bank balances other than cash and cash equivalents	41,940.97	39,622.41	2,875.58	423.28	-
Receivables	38.05	38.05	-	-	-
Loans	7,18,787.81	3,07,532.92	4,40,099.51	2,57,329.58	1,89,362.15
Investments	17,069.51	14,241.44	1,887.15	1,610.55	-
Other financial assets	5,758.30	2,744.15	1,572.04	1,000.21	725.68
<b>Total financial assets</b>	<b>8,37,416.49</b>	<b>4,18,047.28</b>	<b>4,46,434.28</b>	<b>2,60,363.62</b>	<b>1,90,087.83</b>

The table has been drawn up based on the undiscounted contractual maturities of the financial assets and financial liabilities as at the reporting date. Loans, debt securities and borrowings (other than debt securities) includes estimated interest receipts / payments upto maturity.

The amounts disclosed in the table above are estimated expected undiscounted cash flows. Balances due within a year equals their carrying amounts as the impact of discounting is not significant.

All derivatives used for hedging and natural hedges are shown by maturity, based on their contractual undiscounted payment obligation

### (iv) 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 exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's financial activities (when borrowings exposure is denominated in a foreign currency).

The Company manages its foreign currency risk by hedging transactions that are expected to occur within a maximum 12-month period for hedges of forecasted repayments of borrowings.

When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions, the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

At 31 March 2026, the Company hedged 100% (31 March 2025: NA), of its expected foreign currency borrowings repayment. This foreign currency risk is hedged by using foreign currency forward contracts. Also refer note 39."

#### Foreign currency sensitivity:

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments

Particulars	Profit / loss		Equity, net of tax	
	500 bp increase	500 bp decrease	500 bp increase	500 bp decrease
<b>31 March 2026</b>				
Foreign currency sensitivity*	6.30	(6.30)	4.71	(4.71)
	<b>6.30</b>	<b>(6.30)</b>	<b>4.71</b>	<b>(4.71)</b>
<b>31 March 2025</b>				
Foreign currency sensitivity*	-	-	-	-
	-	-	-	-

\*Holding all other variables constant, the sensitivity on profit and loss is due to the timing & cashflow differences between the hedged financial instrument and hedging financial instrument. On the date of maturity of the forward exchange contract & foreign currency borrowings, the sensitivity of profit and loss to changes in the exchange rates will be nil, hence for these contracts - impact is presented under other comprehensive income

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 47 Disclosures pursuant to RBI master direction 'Reserve Bank of India (Non-Banking Financial Companies - Financial Statements: Presentation and Disclosures) Directions, 2025 dated 28 November 2025, as amended (Contd..)

### 47A. Schedule to the Balance Sheet

Particulars	As at 31 March 2026		As at 31 March 2025	
	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
<b>Liabilities side:</b>				
<b>(1) Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid:</b>				
(a) Debentures				
- Secured	95,585.28	-	56,830.92	-
- Unsecured (other than falling within the meaning of public deposits)	-	-	-	-
(b) Deferred credits	-	-	-	-
(c) Term loans	5,58,939.28	-	4,27,827.38	-
(d) Inter-corporate loans and borrowings	-	-	-	-
(e) Commercial Paper	-	-	-	-
(f) Public Deposits	-	-	-	-
(g) Other Loans (Borrowings under securitisation)	80,985.14	-	77,667.23	-
(h) Other Loans (Cash Credit from banks)	1,900.00	-	598.67	-
<b>(2) Break-up of (1)(f)above (outstanding public deposits inclusive of interest accrued thereon but not paid):</b>				
(a) In the form of Unsecured debentures	-	-	-	-
(b) In the form of partly secured debentures i.e debentures where there is a shortfall in the value of security	-	-	-	-
(c) Other public deposits	-	-	-	-

Particulars	As at 31 March 2026	As at 31 March 2025
<b>Assets side:</b>		
<b>(3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :</b>		
(a) Secured (refer note 8)	8,43,269.68	6,66,191.97
(b) Unsecured (refer note 8)	50,072.82	52,595.84
<b>(4) Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities</b>		
(i) Lease assets including lease rentals under sundry debtors:		
a) Financial lease	-	-
b) Operating lease	-	-
(ii) Stock on hire including hire charges under sundry debtors:		
a) Assets on Hire	-	-
b) Repossessed Assets	-	-
(iii) Other loans counting towards asset financing activities:		
a) Loans where Assets have been repossessed	-	-
b) Loans other than (a) above	-	-
<b>(5) Break-up of Investments:</b>		
<b>Current Investments:</b>		
<b>I. Quoted:</b>		
i. Shares		
a) Equity	-	-
b) Preference	-	-
ii. Debentures and Bonds	-	-
iii. Units of Mutual Funds	10,006.90	12,020.19
iv. Government Securities	2,900.62	1,911.41
v. Others (please specify)	-	-

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 47 Disclosures pursuant to RBI master direction 'Reserve Bank of India (Non-Banking Financial Companies - Financial Statements: Presentation and Disclosures) Directions, 2025 dated 28 November 2025, as amended(Contd..)

Particulars	As at 31 March 2026	As at 31 March 2025
<b>II. Unquoted:</b>		
i. Shares	-	-
a) Equity	-	-
b) Preference	-	-
ii. Debentures and Bonds	-	-
iii. Units of Mutual Funds	-	-
iv. Government Securities	-	-
v. Others (please specify)	-	-
<b>Long Term Investments:</b>		
<b>I. Quoted:</b>		
i. Shares	-	-
a) Equity	-	-
b) Preference	-	-
ii. Debentures and Bonds	-	-
iii. Units of Mutual Funds	-	-
iv. Government Securities	3,119.73	3,137.91
v. Others (please specify)	-	-
<b>II. Unquoted:</b>		
i. Shares	-	-
a) Equity	-	-
b) Preference	-	-
ii. Debentures and Bonds	-	-
iii. Units of Mutual Funds	-	-
iv. Government Securities	-	-
v. Others (Investment in equity tranche PTCs.)	21,915.54	15,639.69

### (6) Borrower group-wise classification of assets financed as in (3) and (4) above:

Category	As at 31 March 2026 (Net of Provisions)		As at 31 March 2025 (Net of Provisions)	
	Secured	Unsecured	Secured	Unsecured
<b>1. Related parties</b>				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	-	-
<b>2. Other than related parties</b>	8,43,269.68	50,072.82	6,66,191.97	52,595.84
	<b>8,43,269.68</b>	<b>50,072.82</b>	<b>6,66,191.97</b>	<b>52,595.84</b>

### (7) Investor group-wise classification of all investments (current and long-term) in shares and securities (both quoted and unquoted):

Category	Market Value / Break up or fair value or Net Asset Value as on 31 March 2026	Book Value as on 31 March 2026 (Net of provisions)	Market Value / Break up or fair value or Net Asset Value as on 31 March 2025	Book Value as on 31 March 2025 (Net of provisions)
<b>1. Related parties</b>				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	-	-
<b>2. Other than related parties</b>	-	-	-	-
	-	-	-	-

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 47 Disclosures pursuant to RBI master direction 'Reserve Bank of India (Non-Banking Financial Companies - Financial Statements: Presentation and Disclosures) Directions, 2025 dated 28 November 2025, as amended(Contd..)

### (8) Other Information

Particulars	As at 31 March 2026		As at 31 March 2025	
	Related Parties	Other than Related Parties	Related Parties	Other than Related Parties
(i) Gross Non-Performing Assets (Stage 3 assets)	-	22,639.90	-	16,207.69
(ii) Net Non-Performing Assets (Stage 3 assets)	-	12,486.80	-	8019.03
(iii) Assets Acquired in Satisfaction of Debt	-	-	-	-

### 47B. Disclosure requirements for all NBFCs:

#### (1) Loans against gold and silver collateral

The Company has not provided loans against gold and silver collateral during the year ended 31 March 2026 and year ended 31 March 2025.

#### (2) Disclosure related to project finance

The Company has not lent any loans during the year ended 31 March 2026 and year ended 31 March 2025 for project finance activities nor has any outstanding balance as at 31 March 2026 and 31 March 2025.

#### (3) Non-Fund Based (NFB) Credit Facilities:

An NBFC shall disclose the details of NFB credit facilities in the format given below.

Particulars	As at 31 March 2026		As at 31 March 2025	
	Secured Portion	Unsecured Portion	Secured Portion	Unsecured Portion
I Outstanding Guarantees				
i) In India	-	-	-	-
ii) Outside India	-	-	-	-
II Acceptances, Endorsements and other Obligations	-	-	-	-
III Other NFB Credit facilities*	25.00	-	25.00	-

\*Represents Bank Guarantee towards Expense Recovery Fund in favour of BSE Ltd.

#### (4) Disclosures on Co-Lending Arrangements

No co-lending arrangements were entered during the year ended 31 March 2026 and year ended 31 March 2025.

#### (5) Disclosures relating to securitisation

The table below shows the maturity analysis of assets and liabilities according to when they are expected to be recovered or settled.

Particulars	As at 31 March 2026	As at 31 March 2025
(1) No of SPEs holding assets for securitisation transactions originated by the originator (only the SPVs relating to outstanding securitisation exposures are reported here)	14	13
(2) Total amount of securitised assets as per books of the SPEs	1,02,900.68	93,306.92
(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	9,555.75	7,095.16
• Others (Investment in equity tranche PTCs)	21,915.54	15,639.69

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 47 Disclosures pursuant to RBI master direction 'Reserve Bank of India (Non-Banking Financial Companies - Financial Statements: Presentation and Disclosures) Directions, 2025 dated 28 November 2025, as amended(Contd..)

Particulars	As at 31 March 2026	As at 31 March 2025
(4) Amount of exposures to securitisation transactions other than MRR		
a) Off-balance sheet exposures		
i) Exposure to own securitisations		
• First loss	-	-
• Others (Excess Interest Spread)	-	-
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 the securitised assets for the year	64,911.25	79,118.84
gain/loss on sale on account of securitisation	-	-
(6) Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.	9,555.75	7,095.16
First Loss Credit Facility – Bank Fixed Deposit		
(7) Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided.		
(a) Amount paid during the year (initial cash collateral)	2,722.97	3,531.09
(b) Repayment received (cash collateral reset)	-	-
(c) Outstanding amount (outstanding cash collateral)	9,555.75	7,095.16
(8) Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc.	1.14%	0.32%
(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	-	-
(10) Investor complaints		
(a) Directly/Indirectly received and;	-	-
(b) Complaints outstanding	-	-

All the transactions entered by the Company during the year ended 31 March 2026 and year ended 31 March 2025 are in the nature of STC (Simple, Transparent and Comparable Transaction) transactions.

### (6) Disclosure of transfer of loan exposure

#### (i) Direct Assignment

Details of loans not in default transferred through assignment:

S. No	Particulars	As at 31 March 2026	As at 31 March 2025
1	Aggregate amount of loans transferred through assignment	8,654.24	7,207.85
2	Weighted average maturity (in years)	7.36	10.24
3	Weighted average holding period (in years)	1.23	1.32
4	Retention of beneficial economic interest	961.58	800.87
5	Tangible security coverage	-	-
6	Rating-wise distribution of rated loans	-	-

#### (ii) Details of stressed loans

No stressed loans were acquired or transferred during the year ended 31 March 2026 and 31 March 2025.

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 47 Disclosures pursuant to RBI master direction 'Reserve Bank of India (Non-Banking Financial Companies - Financial Statements: Presentation and Disclosures) Directions, 2025 dated 28 November 2025, as amended(Contd..)

### (7) Disclosure on restructuring of advances

The Company has not restructured any advance during the year ended 31 March 2026 and 31 March 2025.

However, borrowers who have been provided restructuring under RBI Resolution Framework- 2.0 position of whose loans are outstanding are disclosed below as per format prescribed under notification - RBI/2020-21/16 DOR No BP BC/3/21.04.048/2020-21 dated 06 August 2020 and RBI/2021-22/31 DOR.STR.REC.11/21.04.048/21-22 dated 05 May 2021, for the period from 01 April 2025 to 31 March 2026:

Financial year 2025-26:

Type of borrower**	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at 31 March 2025 (A)	Of (A) Aggregated debt that slipped into NPA during the period	Of (A) Amount written off during the period	Of (A) Amount paid by the borrowers during the period	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at 30 September 2025
Personal Loans	-	-	-	-	-
Corporate persons*	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	468.30	30.10	33.24	125.34	279.62
<b>Total</b>	<b>468.30</b>	<b>30.10</b>	<b>33.24</b>	<b>125.34</b>	<b>279.62</b>

Type of borrower**	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at 30 September 2025 (A)	Of (A) Aggregated debt that slipped into NPA during the period	Of (A) Amount written off during the period	Of (A) Amount paid by the borrowers during the period	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at 31 March 2026
Personal Loans	-	-	-	-	-
Corporate persons*	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	279.62	17.50	11.69	82.56	167.87
<b>Total</b>	<b>279.62</b>	<b>17.50</b>	<b>11.69</b>	<b>82.56</b>	<b>167.87</b>

Financial year 2024-25:

Type of borrower**	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at 31 March 2024 (A)	Of (A) Aggregated debt that slipped into NPA during the period	Of (A) Amount written off during the period	Of (A) Amount paid by the borrowers during the period	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at 30 September 2024
Personal Loans	-	-	-	-	-
Corporate persons*	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	1,441.14	126.46	101.30	357.77	855.61
<b>Total</b>	<b>1,441.14</b>	<b>126.46</b>	<b>101.30</b>	<b>357.77</b>	<b>855.61</b>

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 47 Disclosures pursuant to RBI master direction 'Reserve Bank of India (Non-Banking Financial Companies - Financial Statements: Presentation and Disclosures) Directions, 2025 dated 28 November 2025, as amended(Contd..)

Type of borrower**	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at 30 September 2024 (A)	Of (A) Aggregated debt that slipped into NPA during the period	Of (A) Amount written off during the period	Of (A) Amount paid by the borrowers during the period	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at 31 March 2025
Personal Loans	-	-	-	-	-
Corporate persons*	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	855.61	47.74	97.32	242.25	468.30
<b>Total</b>	<b>855.61</b>	<b>47.74</b>	<b>97.32</b>	<b>242.25</b>	<b>468.30</b>

\*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016.

\*\*Classification of borrowers is based on the data available with the Company and has been relied upon by the auditors. Above loans are secured wholly by mortgage of property.

(8) Exposure

(i) Exposure to real estate sector

The Company does not have any direct or indirect exposure to the real estate sector other than properties mortgaged as collateral by its customers

Particulars	As at 31 March 2026	As at 31 March 2025
<b>Direct Exposure</b>		
<b>i) Residential Mortgages</b>		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure would also include non-fund based limits	7,85,791.72	6,50,603.09
<b>ii) Commercial Real Estate</b>		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose 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 limits	-	-
<b>iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures</b>		
a) Residential	-	-
b) Commercial Real Estate	-	-
<b>Indirect Exposure</b>		
Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.	-	-
<b>Total exposure to real estate sector</b>	<b>7,85,791.72</b>	<b>6,50,603.09</b>

The above information is based on the data available with the Company and filed with the Reserve Bank of India, which has been relied upon by the auditors.

(ii) Exposure to capital market

There is no exposure to capital market as at 31 March 2026 and 31 March 2025.

Particulars	As at 31 March 2026	As at 31 March 2025
i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	-	-

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 47 Disclosures pursuant to RBI master direction 'Reserve Bank of India (Non-Banking Financial Companies - Financial Statements: Presentation and Disclosures) Directions, 2025 dated 28 November 2025, as amended(Contd..)

Particulars	As at 31 March 2026	As at 31 March 2025
ii) advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
iv) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	-	-
v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
vi) loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
vii) bridge loans to companies against expected equity flows / issues;	-	-
viii) All exposures to Venture Capital Funds (both registered and unregistered)	-	-
ix) Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
x) Financing to stockbrokers for margin trading	-	-
xi) All exposures to Alternative Investment Funds (AIF)-in categories I, II and III	-	-
<b>Total exposure to capital market</b>	<b>-</b>	<b>-</b>

### (iii) Sectoral exposure

Sectors	As at 31 March 2026			As at 31 March 2025		
	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	1,52,114.26	4,354.52	2.86%	1,13,723.89	2,506.53	2.20%
2. Industry (2.1 to 2.4)						
2.1 Micro and Small	50,409.70	1,129.56	2.24%	38,185.61	696.71	1.82%
2.2 Medium	-	-	-	-	-	-
2.3 Large	-	-	-	-	-	-
2.4 Others, if any, please specify	-	-	-	-	-	-
3. Services (3.1 to 3.10 equals 3.a to 3.d)						
3.1 Transport Operators	6,900.95	55.97	0.81%	2,185.65	5.17	0.24%
3.2 Computer Software	-	-	-	-	-	-
3.3 Tourism, Hotel and Restaurants	3,679.87	283.42	7.70%	5,945.76	341.68	5.75%
3.4 Shipping	-	-	-	-	-	-
3.5 Professional Services	5,331.58	356.84	6.69%	6,782.14	161.39	2.38%
3.6 Trade	-	-	-	-	-	-
3.6.1 Wholesale Trade (other than Food Procurement)	4,104.50	281.53	6.86%	5,257.34	259.91	4.94%
3.6.2 Retail Trade	71,677.43	3,017.02	4.21%	68,651.39	2,282.56	3.32%
3.7 Commercial Real Estate	-	-	-	-	-	-
3.8 NBFCs	-	-	-	-	-	-
3.9 Aviation	-	-	-	-	-	-

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 47 Disclosures pursuant to RBI master direction 'Reserve Bank of India (Non-Banking Financial Companies - Financial Statements: Presentation and Disclosures) Directions, 2025 dated 28 November 2025, as amended(Contd..)

Sectors	As at 31 March 2026			As at 31 March 2025		
	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
3.10 Other Services	5,631.55	49.38	0.88%	2,146.13	74.95	3.49%
Total 3.a to 3.d	-	-	-	-	-	-
3.a Micro and Small	97,325.88	4,044.16	4.16%	90,968.41	3,125.66	3.44%
3.b Medium	-	-	-	-	-	-
3.c Large	-	-	-	-	-	-
3.d Others, if any, Please specify	-	-	-	-	-	-
4. Personal loans	-	-	-	-	-	-
5. Retail loans (including home & Vehicle loans)	6,26,257.28	13,111.66	2.09%	5,04,884.79	9,878.79	1.96%

The above sector-wise NPA and advances is based on the data available with the Company which has been relied upon by the auditors.

### (iv) Intra-group exposures

Particulars	As at 31 March 2026	As at 31 March 2025
1. Total amount of intra-group exposures	-	-
2. Total amount of top 20 intra-group exposures and	-	-
3. Percentage of intra group exposures to total exposure of the NBFC on borrower/ customers.	-	-

### (v) Unhedged foreign currency exposure

The Company did not have any unhedged foreign currency exposure as on the balance sheet date. The company has entered into forward currency exchange contract for the outstanding foreign currency exposure as at March 31, 2026.

### (9) Related party disclosures

The related party disclosures pursuant to scale based regulations disclosure guidelines issued by RBI has been disclosed in note 40.

The balance outstanding disclosed in note 40 is also the maximum outstanding during the year against the respective related parties.

### (10) Disclosure of complaints

#### (i) Summary information on complaints received by an NBFC from customers and from the Offices of Ombudsman

Particulars	As at 31 March 2026	As at 31 March 2025
<b>Complaints received by the NBFC from its customers (refer note below)</b>		
(1) Number of complaints pending at the beginning of the year	-	-
(2) Number of complaints received during the year	191	102
(3) Number of complaints disposed during the year	183	102
(3.1) Of which, number of complaints rejected by the NBFC	-	-
(4) Number of complaints pending at the end of the year	8	-
<b>Maintainable complaints received by the NBFC from Office of Ombudsman (refer note below)</b>		
(5) Number of maintainable complaints received by the NBFC from Office of Ombudsman	56	18

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 47 Disclosures pursuant to RBI master direction 'Reserve Bank of India (Non-Banking Financial Companies - Financial Statements: Presentation and Disclosures) Directions, 2025 dated 28 November 2025, as amended(Contd..)

Particulars	As at 31 March 2026	As at 31 March 2025
(5.1) Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	56	18
(5.2) Of 5, number of complaints resolved through conciliation/mediation/ advisories issued by Office of Ombudsman	-	17
(5.3) Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	-
(6) Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

Note: The above details are based on the information available with the Company regarding the complaints received from the customers both directly and indirectly including through RBI portal, which has been relied upon by the auditors.

(ii) Top five grounds of complaints received by the NBFC from customers

Top five grounds of complaints received by the NBFCs from customers for the FY 25-26

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Staff interaction / collection related	-	127	297% increase	7	-
Loan & advances - change of terms	-	29	93% increase	1	-
Foreclosure, closure and NOC related	-	24	52% decrease	-	-
Others	-	11	120% increase	-	-

Top five grounds of complaints received by the NBFCs from customers for the FY 24-25

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Staff interaction / collection related	-	32	191% increase	-	-
Loan & advances - change of terms	-	15	114% increase	-	-
Foreclosure, closure and NOC related	-	50	257% increase	-	-
Others	-	5	58% decrease	-	-

(11) Loans to directors, senior officers and relatives of directors

There are no loans given to directors, senior officers and relatives of directors for the year ended 31 March 2026 and 31 March 2025.

(12) Currency futures

There are no transactions or outstanding balance of currency futures for the year ended as at 31 March 2026 and 31 March 2025.

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 47 Disclosures pursuant to RBI master direction 'Reserve Bank of India (Non-Banking Financial Companies - Financial Statements: Presentation and Disclosures) Directions, 2025 dated 28 November 2025, as amended(Contd.)

### (13) Liquidity

#### (i) Funding concentration based on significant counterparty (both deposits and borrowings)

Particulars	As at 31 March 2026	As at 31 March 2025
No. of Significant Counterparties	27	24
Borrowing outstanding	6,85,369.83	4,98,996.28
% of Total Liabilities	91.30%	87.05%

#### (ii) Top 20 large deposits- Not Applicable. The Company, being a Systematically Important Non-Deposit taking Non-Banking Financial Company and registered with Reserve Bank of India, does not accept public deposits.

#### (iii) Top 10 borrowings

Particulars	As at 31 March 2026		As at 31 March 2025	
	Amount	% of Total Borrowings	Amount	% of Total Borrowings
Total of top 10 borrowings	4,16,993.91	56.55%	3,53,045.88	62.72%

#### (iv) Funding concentration based on significant instrument / product

Name of the instrument / product	As at 31 March 2026		As at 31 March 2025	
	Amount	% of Total Liabilities	Amount	% of Total Liabilities
Non-Convertible Debentures	95,585.28	12.73%	56,830.92	9.91%
Term Loans	5,58,941.61	74.46%	4,27,827.38	74.63%
Securitisation (PTCs)	80,985.18	10.79%	77,667.23	13.55%
Working Capital Loans	1,900.00	0.25%	598.67	0.10%

#### (v) Stock Ratios:

Name of the instrument / product	As at 31 March 2026 Ratio	As at 31 March 2025 Ratio
(a) Commercial Paper as a % of Total Public Funds	N.A.	N.A.
(b) Commercial Paper as a % of Total Liabilities	N.A.	N.A.
(c) Commercial Paper as a % of Total Assets	N.A.	N.A.
(d) Non-convertible debentures (original maturity of less than one year) as a % of Total Public Funds	N.A.	N.A.
(e) Non-convertible debentures (original maturity of less than one year) as a % of Total Liabilities	N.A.	N.A.
(f) Non-convertible debentures (original maturity of less than one year) as a % of Total Assets	N.A.	N.A.
(g) Other short-term liabilities as a % of Total Public Funds	N.A.	N.A.
(h) Other short-term liabilities as a % of Total Liabilities	33.76%	34.50%
(i) Other short-term liabilities as a % of Total Assets	23.83%	23.23%

#### (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 while conducting its business. The Board approves the governance structure, policies, strategy, and the risk limits for the management of liquidity risk.

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 47 Disclosures pursuant to RBI master direction 'Reserve Bank of India (Non-Banking Financial Companies - Financial Statements: Presentation and Disclosures) Directions, 2025 dated 28 November 2025, as amended(Contd..)

The Board of Directors approved 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 meetings of RMC are held at quarterly intervals and more frequently as warranted from time to time. Further, the Board of Directors also approves constitution of Asset Liability Committee (ALCO), which functions as the strategic decision-making body for the asset-liability management of the Company from risk return perspective and within the risk appetite approved by the Board.

Notes:

- 1) Significant counterparty is as defined in RBI circular RBI/2019-20/88, DOR.NBFC (PD) CC No.102/03.10.001/2019-20, dated November 04, 2019.
- 2) Amount represents IND-AS outstanding inclusive of interest accruals and fee amortisation.
- 3) Total Liabilities exclude Networth of the company.
- 4) Other short-term liabilities have been computed as a sum of trade payables, other financial liabilities, provisions and other non-financial liabilities which have a maturity of within 12 months.

Refer Note No 46 (iii) for the summary of maturity profile of undiscounted cash flows of the Company's financial assets and financial liabilities as at reporting period.

### (14) Credit Default Swaps

The Company has not undertaken any credit default swaps and does not have any outstanding as at 31 March 2026 and 31 March 2025.

### (15) Comparison between provisions required under IRACP and impairment allowances made under Ind AS 109

As at 31 March 2026

Asset Classification as per RBI norms	Asset Classification as per IND AS 109	Gross Carrying amount as per IND AS 109	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	(5) = (3)-(4)	6	(7) = (4)-(6)
<b>Performing Assets</b>						
Standard	Stage 1	8,77,157.84	7,671.57	8,69,486.27	3,578.64	4,092.93
	Stage 2	13,631.53	2,262.10	11,369.43	57.43	2,204.67
<b>Subtotal for Standard</b>		<b>8,90,789.37</b>	<b>9,933.67</b>	<b>8,80,855.70</b>	<b>3,636.07</b>	<b>6,297.60</b>
<b>Non-performing assets (NPA)</b>						
Substandard	Stage 3	18,160.18	7,639.69	10,520.49	3,156.16	4,483.53
Doubtful						
- up to 1 year	Stage 3	4,433.61	2,467.30	1,966.31	1,262.81	1,204.50
-1 to 3 years	Stage 3	-	-	-	-	-
-More than 3 years	Stage 3	-	-	-	-	-
<b>Subtotal for doubtful</b>		<b>4,433.61</b>	<b>2,467.30</b>	<b>1,966.31</b>	<b>1,262.81</b>	<b>1,204.50</b>
Loss	Stage 3	46.11	46.11	-	46.11	-
<b>Subtotal for NPA</b>		<b>22,639.90</b>	<b>10,153.10</b>	<b>12,486.80</b>	<b>4,465.08</b>	<b>5,688.02</b>

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 47 Disclosures pursuant to RBI master direction 'Reserve Bank of India (Non-Banking Financial Companies - Financial Statements: Presentation and Disclosures) Directions, 2025 dated 28 November 2025, as amended(Contd.)

Asset Classification as per RBI norms	Asset Classification as per IND AS 109	Gross Carrying amount as per IND AS 109	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)
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	12,677.85	50.71	12,627.14	50.71	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
<b>Subtotal</b>		-	-	-	-	-
<b>Total</b>	<b>Stage 1</b>	<b>8,77,157.84</b>	<b>7,671.57</b>	<b>8,69,486.27</b>	<b>3,578.64</b>	<b>4,092.93</b>
	<b>Stage 2</b>	<b>13,631.53</b>	<b>2,262.10</b>	<b>11,369.43</b>	<b>57.43</b>	<b>2,204.67</b>
	<b>Stage 3</b>	<b>22,639.90</b>	<b>10,153.10</b>	<b>12,486.80</b>	<b>4,465.08</b>	<b>5,688.02</b>
		<b>9,13,429.27</b>	<b>20,086.77</b>	<b>8,93,342.50</b>	<b>8,101.15</b>	<b>11,985.62</b>

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 109	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	(5) = (3)-(4)	6	(7) = (4)-(6)
<b>Performing Assets</b>						
Standard	Stage 1	7,06,487.41	5,388.86	7,01,098.55	2,939.46	2,449.40
	Stage 2	12,169.19	2,498.96	9,670.23	55.60	2,443.36
<b>Subtotal for Standard</b>		<b>7,18,656.60</b>	<b>7,887.82</b>	<b>7,10,768.78</b>	<b>2,995.06</b>	<b>4,892.76</b>
<b>Non-performing assets (NPA)</b>						
Substandard	Stage 3	12,542.02	5,961.21	6,580.81	2,025.28	3,935.93
Doubtful						
- up to 1 year	Stage 3	3,615.91	2,177.69	1,438.22	1,004.07	1,173.63
-1 to 3 years	Stage 3	-	-	-	-	-
-More than 3 years	Stage 3	-	-	-	-	-
<b>Subtotal for doubtful</b>		<b>3,615.91</b>	<b>2,177.69</b>	<b>1,438.22</b>	<b>1,004.07</b>	<b>1,173.63</b>
Loss	Stage 3	49.76	49.76	-	49.76	-
<b>Subtotal for NPA</b>		<b>16,207.69</b>	<b>8,188.66</b>	<b>8,019.03</b>	<b>3,079.11</b>	<b>5,109.56</b>

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 47 Disclosures pursuant to RBI master direction 'Reserve Bank of India (Non-Banking Financial Companies - Financial Statements: Presentation and Disclosures) Directions, 2025 dated 28 November 2025, as amended(Contd..)

Asset Classification as per RBI norms 1	Asset Classification as per IND AS 109 2	Gross Carrying amount as per IND AS 109 3	Loss Allowances (Provisions) as required under Ind AS 109 4	Net Carrying amount (5) = (3)-(4)	Provisions required as per IRACP norms 6	Difference between Ind AS 109 provisions and IRACP norms (7) = (4)-(6)
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	12,898.41	51.59	12,846.81	51.59	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
<b>Subtotal</b>						
<b>Total</b>	<b>Stage 1</b>	<b>7,06,487.41</b>	<b>5,388.86</b>	<b>7,01,098.55</b>	<b>2,939.46</b>	<b>2,449.40</b>
	<b>Stage 2</b>	<b>12,169.19</b>	<b>2,498.96</b>	<b>9,670.23</b>	<b>55.60</b>	<b>2,443.36</b>
	<b>Stage 3</b>	<b>16,207.69</b>	<b>8,188.66</b>	<b>8,019.03</b>	<b>3,079.11</b>	<b>5,109.56</b>
		<b>7,34,864.29</b>	<b>16,076.48</b>	<b>7,18,787.81</b>	<b>6,074.17</b>	<b>10,002.32</b>

The impairment allowances under Ind AS 109 made by the Company exceeds the total provision required under IRACP (including standard asset provisioning) as at 31 March 2026 and as at 31 March 2025 and accordingly, no amount is required to be transferred to impairment reserve.

### 47C. Disclosures requirements for NBFCs -Middle Layer (NBFCs-ML):

(1) Summary of significant accounting policies

Refer Note 3 for summary of material accounting policies

(2) Capital

Particulars	As at 31 March 2026	As at 31 March 2025
(i) CRAR (%)	33.19%	37.82%
(ii) CRAR – Tier 1 capital (%)	33.19%	37.82%
(iii) CRAR – Tier 2 capital (%)	-	-
(iv) Amount of subordinated debt raised as Tier- 2 capital	-	-
(v) Amount raised by issue of Perpetual Debt Instruments	-	-

Note 1: Tier I capital consists of shareholders' equity and retained earnings. Tier II Capital consists of general provision and loss reserve against stage 1 assets. Credit enhancement relating to securitisation has been adjusted against Tier I and Tier II capital in accordance with Reserve Bank of India (Non-Banking Financial Companies – Prudential Norms on Capital Adequacy) Directions, 2025 (as amended) dated 28 November 2025 . Tier 1 and Tier II capital has been reported on the basis of Ind AS financial information. Risk weighted assets represents the weighted sum of company's credit exposures based on their risk as prescribed by RBI guidelines.

Note 2: As on 31 March 2026 and 31 March 2025, the first loss credit enhancement on securitisation transactions exceeded the provisions for Standard Assets (which forms part of tier II capital). Consequently, the excess amount of first loss credit enhancement has been adjusted against tier 1 capital.

# Notes to financial statements

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(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 47 Disclosures pursuant to RBI master direction 'Reserve Bank of India (Non-Banking Financial Companies - Financial Statements: Presentation and Disclosures) Directions, 2025 dated 28 November 2025, as amended(Contd..)

### (3) Investments

Particulars	As at 31 March 2026	As at 31 March 2025
<b>Value of investments</b>		
(i) Gross value of investments		
(a) In India	16,027.25	17,069.51
(b) Outside India	-	-
(ii) Provision for Depreciation		
(a) In India	-	-
(b) Outside India	-	-
(iii) Net value of investments		
(a) In India	16,027.25	17,069.51
(b) Outside India	-	-
<b>Movement of provisions held towards depreciation on investments</b>		
(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	-	-

### (4) Derivatives

#### (a) Forward Rate Agreement (FRA)

Particulars	As at 31 March 2026	As at 31 March 2025
(i) The notional principal of foreign exchange forward contracts	27,200.00	-
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	-
(iii) Collateral required by the NBFC upon entering into foreign exchange forward contracts	-	-
(iv) Concentration of credit risk arising from the foreign exchange forward contracts	NA	NA
(v) The fair value of the foreign exchange forward contracts	1,249.87	-

Note: The company does not have any other derivatives other than the forward rate agreements mentioned above.

#### (b) Exchange traded interest rate (IR) derivatives

The Company has not entered into any exchange traded derivative in the current year and in the previous year.

#### (c) Disclosures on Risk Exposure in Derivatives

##### Qualitative Disclosures

- (i) The Company undertakes the derivatives transaction to prudently hedge the risk in context of a particular borrowing and to maintain fixed and floating borrowing mix. The Company does not indulge into any derivative trading transactions. The Company reviews, the proposed transaction and outline any considerations associated with the transaction, including identification of the benefits and potential risks (worst case scenarios); an independent analysis of potential savings from the proposed transaction. The Company evaluates all the risks inherent in the transaction viz., counter party risk, Market Risk, Operational Risk, basis risk etc.

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 47 Disclosures pursuant to RBI master direction 'Reserve Bank of India (Non-Banking Financial Companies - Financial Statements: Presentation and Disclosures) Directions, 2025 dated 28 November 2025, as amended(Contd..)

- (ii) Credit risk is controlled by restricting the counterparties that the Company deals with, to those who either have banking relationship with the Company or are internationally renowned or can provide sufficient information. Market/Price risk arising from the fluctuations of interest rates and foreign exchange rates or from other factors shall be closely monitored and controlled. Normally transaction entered for hedging, will run over the life of the underlying instrument, irrespective of profit or loss. Liquidity risk is controlled by restricting counterparties to those who have adequate facility, sufficient information, and sizable trading capacity and capability to enter into transactions in any markets around the world.
- (iii) The respective functions of trading, confirmation and settlement should be performed by different personnel. The front office and back-office role is well defined and segregated. All the derivatives transactions are quarterly monitored and reviewed. All the derivative transactions have to be reported to the board of directors on every quarterly board meetings including their financial positions.

### Quantitative Disclosure

Particulars	As at 31 March 2026 Currency Derivatives*	As at 31 March 2025 Currency Derivatives*
Derivatives (Notional Principal Amount) For hedging	27,200.00	-
Marked to Market Positions		
(a) Assets (+)	1,249.87	-
(b) Liability (-)	-	-
Credit Exposure	-	-
Unhedged Exposures	-	-

\*Foreign exchange forward contracts

Derivative exposures and potential collateral calls: As on 31 March 2026, the company has fully hedged the exchange rates on the foreign currency loans through foreign exchange forward contracts. Hence, derivative exposures are considered NIL.

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 47 Disclosures pursuant to RBI master direction 'Reserve Bank of India (Non-Banking Financial Companies - Financial Statements: Presentation and Disclosures) Directions, 2025 dated 28 November 2025, as amended(Contd..)

### (5) Asset Liability Management

(a) Maturity pattern of certain items of Assets and Liabilities as at 31 March 2026:

Particulars	0 day to 7 days	8 days to 14 days	15 days to 30/31 days	Over 1 month to 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Advances	23,151.79	2,810.45	660.34	15,404.94	15,965.50	46,400.04	90,161.53	3,23,305.15	2,28,508.29	1,46,974.47	8,93,342.50
Investments	-	10,006.90	44.71	-	28.06	-	2,900.62	3,046.96	-	-	16,027.25
Fixed Deposits with Banks	5,000.55	3,034.75	11,591.12	18,374.25	21,672.52	10,243.64	3,031.80	2,825.97	395.58	-	76,170.18
Borrowings (other than debt securities)	844.00	1,287.00	17,409.00	14,612.00	22,408.00	54,480.00	104,647.00	2,90,171.00	97,096.81	10,317.42	6,13,272.23
Debt securities	-	-	16.26	447.48	15,414.73	-	3,875.00	60,958.33	14,873.48	-	95,585.28
Foreign currency liabilities	-	-	-	-	1,500.00	1,500.00	3,000.00	12,000.00	10,552.19	-	28,552.19

(b) Maturity pattern of certain items of Assets and Liabilities as at 31 March 2025:

Particulars	0 day to 7 days	8 days to 14 days	15 days to 30/31 days	Over 1 month to 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Advances	18,732.17	1,727.11	2,979.08	14,129.90	14,510.00	41,791.12	75,347.65	2,51,928.33	1,83,478.99	1,14,163.46	7,18,787.81
Investments	-	1,696.50	10,011.13	-	389.31	-	1,911.41	1,524.78	1,536.38	-	17,069.51
Fixed Deposits with Banks	-	4,444.78	7,057.11	7,560.17	23,085.39	2,223.43	1,443.60	2,735.16	397.22	-	48,946.86
Borrowings (other than debt securities)	2,199.82	649.39	16,328.85	13,160.55	15,646.15	48,272.21	88,065.54	2,62,145.75	58,294.52	1,330.50	5,06,093.28
Debt securities	-	-	18.24	205.69	427.40	2,500.00	1,375.00	32,750.00	19,554.59	-	56,830.92

Note: The above information including classification of assets and liabilities under different maturity buckets is based on certain estimates and assumptions used by the Company. The same has been relied upon by the auditors.

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 47 Disclosures pursuant to RBI master direction 'Reserve Bank of India (Non-Banking Financial Companies - Financial Statements: Presentation and Disclosures) Directions, 2025 dated 28 November 2025, as amended(Contd..)

### (6) Exposures

#### (i) Details of financing of parent company products

The Company does not have a parent Company and so the details required under this note is not applicable.

#### (ii) Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC

The Company has not exceeded the single borrower limit as set by Reserve Bank of India for the year ended 31 March 2026 and year ended 31 March 2025

#### (iii) The company has an outstanding unsecured advances amounting to INR 50,072.82 lakhs as at 31 March 2026 (INR 52,595.84 lakhs as at 31 March 2025)

#### (iv) The Company has not given any loans against intangible securities during the year ended 31 March 2026 and 31 March 2025 and there are no outstanding loans against intangible securities as at 31 March 2026 and 31 March 2025.

### (7) Corporate governance

Penalties imposed by RBI and other regulators

The following are the list of penalties imposed by RBI and other regulators:

Regulator name	For the year ended 31 March 2026	For the year ended 31 March 2025
Employees' Provident Fund Organisation, India**	0.02	-
Assessment Unit, Income Tax Department	-	-
BSE Limited	-	-
Employees' State Insurance Corporation##	-	0.02

\*\*The Company has paid a penalty of Rs. 1,510/- to the Employees' Provident Fund Organisation (EPFO) in respect of provident fund remittance for May 2025.

## Represents penalty amount to the extent of INR 1,554 charged by Employees' State Insurance Corporation during the financial year ended March 31, 2025

### (8) Breach of covenant

There are no breaches and the Company is compliant with all the covenants including financial, affirmative, informative and negative covenants as at and for the financial year ended 31 March 2026 and 31 March 2025

### (9) Divergence in Asset Classification and Provisioning

During the year ended 31 March 2026 and 31 March 2025, there are no financial divergence identified by the Reserve Bank of India and hence this disclosure is not applicable to the Company.

### (10) Registration from other financial sector regulators

Registration / license	Authority issuing the registration / license	Registration / License reference
Certificate of Registration	Reserve Bank of India	N-07.00810 dated February 03, 2025 (originally dated October 15, 2015)

### (11) Area of Operation

The company operates only in India. Hence the disclosure is not applicable.

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 47 Disclosures pursuant to RBI master direction 'Reserve Bank of India (Non-Banking Financial Companies - Financial Statements: Presentation and Disclosures) Directions, 2025 dated 28 November 2025, as amended(Contd.)

### (12) Disclosure of ratings

Ratings assigned by credit rating agencies :

The credit rating details of the Company are as follows:

Rating Agency	Term	Type	As at 31 March 2026	As at 31 March 2025
CARE Ratings Limited	Long term	Bank loans	CARE AA-; (Stable)	CARE A+; (Positive)
CARE Ratings Limited	Short term	Bank loans	CARE A1+	CARE A1+
CARE Ratings Limited	Long term	Non-convertible debentures	CARE AA-; (Stable)	CARE A+; (Positive)
CARE Ratings Limited	Short term	Commercial Paper	CARE A1+	CARE A1+

### (13) Remuneration of Directors

The related party disclosures pursuant to scale based regulations disclosure guidelines issued by RBI has been disclosed in note 40.

### (14) Net Profit or Loss for the period, prior period items and changes in accounting policies

There are no prior period items that have impact on the current year's profit and loss.

### (15) Revenue Recognition

There have been no instances in which revenue recognition has been postponed pending the resolution of significant uncertainties

### (16) Provisions and contingencies

Provisions and contingencies shown under the head expenditure in profit and loss account (including other comprehensive income)	For the year ended 31 March 2026	For the year ended 31 March 2025
Provisions for depreciation on Investment	-	-
Provision towards NPA	1,964.01	2,737.30
Provision for Standard Assets	2,043.60	4,467.78
Other Provision and Contingencies:		
Provision for gratuity (refer note 35.2)	369.21	472.82
Provision for compensated absences	1,347.20	500.04
Provision made towards Income tax	12,497.27	11,491.16

### (17) Draw down from Reserves

The Company has made no drawdown from existing reserves.

### (18) Concentration of deposits, advances, exposures and NPAs

The company does not accept deposit from public. Hence the same is not applicable

Particulars	As at 31 March 2026	As at 31 March 2025
<b>Concentration of advances</b>		
Total advances to twenty largest borrowers	1,484.59	1,382.47
Percentage of advances to twenty largest borrowers to total advances	0.16%	0.19%
<b>Concentration of exposures</b>		
Total exposures to twenty largest borrowers	1,500.73	1,395.50
Percentage of exposures to twenty largest borrowers to total exposures	0.16%	0.19%
<b>Concentration of NPAs (Stage 3 assets)</b>		
Total exposure to top four NPA accounts	136.50	102.84

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 47 Disclosures pursuant to RBI master direction 'Reserve Bank of India (Non-Banking Financial Companies - Financial Statements: Presentation and Disclosures) Directions, 2025 dated 28 November 2025, as amended(Contd..)

### (19) Movement of NPAs

#### Movement of Non-Performing Assets (NPAs) (Stage 3 assets) (Credit impaired loans)

Particulars	As at 31 March 2026	As at 31 March 2025
<b>(a) Net NPA to net advances (%)</b> (Net of provision for credit impaired loans excluding assets written off)	1.38%	1.10%
<b>(b) Movement of NPAs (Gross)</b>		
Opening balance	16,207.69	10,259.77
Additions during the year	29,411.24	19,205.51
Reductions during the year	(22,979.03)	(13,257.59)
Closing balance	<b>22,639.90</b>	<b>16,207.69</b>
<b>(c) Movement of Net NPAs</b>		
Opening balance	8,019.03	4,808.12
Additions during the year	20,654.88	12,754.21
Reductions during the year	(16,187.11)	(9,543.30)
Closing balance	<b>12,486.80</b>	<b>8,019.03</b>
<b>(d) Movement of provisions for NPAs</b>		
Opening balance	8,188.66	5,451.64
Additions during the year	8,756.36	6,451.31
Reductions during the year	(114.32)	(120.92)
Utilised /write off during the year	(6,677.60)	(3,593.37)
Closing balance	<b>10,153.10</b>	<b>8,188.66</b>

### (20) Overseas assets (for those with joint ventures and subsidiaries abroad)

There are no overseas assets owned by the Company.

### (21) Off-balance sheet SPVs sponsored

There are no SPVs which are required to be consolidated as per accounting norms.

### (22) Off-balance sheet exposures and structured products

Off-balance sheet exposures considered for capital adequacy is provided below:

Particulars	As at 31 March 2026	As at 31 March 2025
1. Financial & Other guarantees- Bank Guarantee	25.00	25.00
2. Other commitments (e.g., formal standby facilities and credit lines) with an original maturity of over one year	12,677.85	12,898.41
3. Derivative - Exchange Rate Contracts & Gold - Less than 1 year	27,200.00	-
4. Other contingent liabilities**	506.88	678.86
<b>Total</b>	<b>40,409.73</b>	<b>13,602.27</b>

\*\*Includes exposure towards capital commitments, claims against the Company not acknowledged as debt and contingent liability towards income tax and GST related matters

The Company does not have any structured products as at 31 March 2026 and 31 March 2025

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 47 Disclosures pursuant to RBI master direction 'Reserve Bank of India (Non-Banking Financial Companies - Financial Statements: Presentation and Disclosures) Directions, 2025 dated 28 November 2025, as amended(Contd..)

### (23) Liquidity Coverage Ratio

The Company has implemented the guidelines on Liquidity Risk Management Framework prescribed by the Reserve Bank of India requiring maintenance of Liquidity Coverage Ratio (LCR), which aim to ensure that an NBFC maintains an adequate level of unencumbered High Quality Liquid Assets (HQLA) that can be converted into cash to meet its liquidity needs for a 30 calendar day time horizon under a significantly severe liquidity stress scenario. It ensures a sound and robust liquidity risk management system by maintaining sufficient liquidity through inclusion of a cushion of unencumbered, high quality liquid asset to withstand a range of stress events, including those involving the loss or impairment of both unsecured and secured funding sources. The Board of Directors has delegated responsibility of balance sheet Liquidity Risk Management to the Asset Liability Committee as per the ALCO policy of the Company.

#### Qualitative information:

##### Main drivers to the LCR numbers:

All significant outflows and inflows determined in accordance with RBI guidelines are included in the prescribed LCR computation.

##### Intra-period changes as well as changes over time

There are no intra period changes and changes over time for the year ended 31 March 2026 and 31 March 2025

##### Composition of HQLA:

The HQLA maintained by the Company comprises comprise of cash on hand and demand deposits with Scheduled Commercial Banks. The details are given below.

- For the year ended 31 March 2026, the HQLA comprised of cash, investment in Government securities and demand deposits with scheduled commercial banks

##### Concentration of funding sources:

The company maintains diversified sources of funding comprising short/long term loans from banks, NBFC's NCDs, and securitisation. The funding pattern is reviewed regularly by the management.

##### Derivative exposures and potential collateral calls:

As on March 31, 2026, the company has no derivative exposures.

##### Currency mismatch in LCR:

There is NIL mismatch to be reported in LCR as on March 31, 2026

Other inflows and outflows in the LCR calculation that are not captured in the LCR common template but which the institution considers to be relevant for its liquidity profile

Nil

##### Computation of Liquidity Coverage Ratio for the year ended 31 March 2026:

Particulars	Q4 FY 25-26		Q3 FY 25-26		Q2 FY 25-26		Q1 FY 25-26	
	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								
1 Total High Quality Liquid Assets (HQLA)								
- Cash	358.10	358.10	309.34	309.34	153.49	153.49	286.63	286.63

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 47 Disclosures pursuant to RBI master direction 'Reserve Bank of India (Non-Banking Financial Companies - Financial Statements: Presentation and Disclosures) Directions, 2025 dated 28 November 2025, as amended(Contd..)

Particulars	Q4 FY 25-26		Q3 FY 25-26		Q2 FY 25-26		Q1 FY 25-26	
	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)
- Investment in Government securities	8,092.77	8,092.77	6,944.56	6,944.56	6,792.11	6,792.11	5,154.67	5,154.67
- Bank Balance	13,654.84	13,654.84	7,692.82	7,692.82	6,554.30	6,554.30	6,695.30	6,695.30
<b>Cash Outflows</b>								
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	28,354.27	32,607.41	27,750.18	31,912.71	26,633.12	30,628.09	25,201.15	28,981.32
7 Other contingent funding obligations	25.00	28.75	25.00	28.75	25.00	28.75	25.00	28.75
<b>8 TOTAL CASH OUTFLOWS</b>		<b>32,636.16</b>		<b>31,941.46</b>		<b>30,656.84</b>		<b>29,010.07</b>
<b>Cash Inflows</b>								
9 Secured lending	8,963.33	6,722.50	8,586.35	6,439.76	9,726.45	7,294.84	10,580.11	7,935.08
10 Inflows from fully performing exposures	29,465.60	22,099.20	27,754.34	20,815.76	25,735.15	19,301.36	26,433.02	19,824.76
11 Other cash inflows	60,834.58	45,625.94	62,446.68	46,835.01	65,394.39	49,045.80	54,326.30	40,744.73
<b>12 TOTAL CASH INFLOWS</b>		<b>74,447.64</b>		<b>74,090.53</b>		<b>75,642.00</b>		<b>68,504.57</b>
	<b>Total Adjusted Value</b>	<b>Total Adjusted Value</b>	<b>Total Adjusted Value</b>	<b>Total Adjusted Value</b>	<b>Total Adjusted Value</b>	<b>Total Adjusted Value</b>	<b>Total Adjusted Value</b>	<b>Total Adjusted Value</b>
<b>13 TOTAL HQLA</b>	NA	<b>22,105.71</b>	NA	<b>14,946.72</b>	NA	<b>13,499.90</b>	NA	<b>12,136.61</b>
<b>14 TOTAL NET CASH OUTFLOWS</b>	NA	<b>8,159.04</b>	NA	<b>7,985.36</b>	NA	<b>7,664.22</b>	NA	<b>7,252.52</b>
<b>15 LIQUIDITY COVERAGE RATIO (%)</b>	NA	<b>270.94%</b>	NA	<b>187.17%</b>	NA	<b>176.14%</b>	NA	<b>167.34%</b>

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 47 Disclosures pursuant to RBI master direction 'Reserve Bank of India (Non-Banking Financial Companies - Financial Statements: Presentation and Disclosures) Directions, 2025 dated 28 November 2025, as amended(Contd..)

Computation of Liquidity Coverage Ratio for the year ended 31 March 2025:

Particulars	Q4 FY 25-26		Q3 FY 25-26		Q2 FY 25-26		Q1 FY 25-26	
	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)
<b>High Quality Liquid Assets</b>								
<b>1 Total High Quality Liquid Assets (HQLA)</b>								
- Cash	134.73	134.73	192.50	192.50	142.29	142.29	125.95	125.95
- Investment in Government securities	1,742.75	1,742.75	-	-	-	-	-	-
- Bank Balance	10,257.57	10,257.57	9,150.78	9,150.78	9,114.63	9,114.63	6,058.75	6,058.75
<b>Cash Outflows</b>								
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	28,312.91	32,559.84	26,714.98	30,722.23	27,072.00	31,132.80	19,732.03	22,691.83
7 Other contingent funding obligations	25.00	28.75	25.00	28.75	25.00	28.75	25.00	28.75
<b>8 TOTAL CASH OUTFLOWS</b>		<b>32,588.59</b>		<b>30,750.98</b>		<b>31,161.55</b>		<b>22,720.58</b>
<b>Cash Inflows</b>								
9 Secured lending	10,587.00	7,940.25	10,567.99	7,926.00	10,848.46	8,136.34	12,084.07	9,063.05
10 Inflows from fully performing exposures	26,103.00	19,577.25	24,914.71	18,686.03	24,400.16	18,300.12	22,891.25	17,168.43
11 Other cash inflows	48,435.29	36,326.47	54,702.01	41,026.51	49,547.62	37,160.72	43,972.61	32,979.46
<b>12 TOTAL CASH INFLOWS</b>		<b>63,843.97</b>		<b>67,638.54</b>		<b>63,597.18</b>		<b>59,210.94</b>
	<b>Total Adjusted Value</b>	<b>Total Adjusted Value</b>	<b>Total Adjusted Value</b>	<b>Total Adjusted Value</b>	<b>Total Adjusted Value</b>	<b>Total Adjusted Value</b>	<b>Total Adjusted Value</b>	<b>Total Adjusted Value</b>
<b>13 TOTAL HQLA</b>	NA	<b>12,135.05</b>	NA	<b>9,343.28</b>	NA	<b>9,256.93</b>	NA	<b>6,184.70</b>
<b>14 TOTAL NET CASH OUTFLOWS</b>	NA	<b>8,147.15</b>	NA	<b>7,687.74</b>	NA	<b>7,790.40</b>	NA	<b>5,680.15</b>
<b>15 LIQUIDITY COVERAGE RATIO (%)</b>	NA	<b>148.95%</b>	NA	<b>121.53%</b>	NA	<b>118.82%</b>	NA	<b>108.88%</b>

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 47 Disclosures pursuant to RBI master direction 'Reserve Bank of India (Non-Banking Financial Companies - Financial Statements: Presentation and Disclosures) Directions, 2025 dated 28 November 2025, as amended(Contd..)

Notes:

- The average weighted and unweighted amounts are calculated based on simple average of daily observations. The weightage factor applied to compute weighted average value is constant for all the quarters.
- Prior to introduction of LCR framework, the company used to maintain a substantial share of its liquidity in form of fixed deposits with banks and investment in mutual funds. Post the introduction of LCR framework, the Company has consciously worked towards increasing its investment in High Quality Liquid Assets (HQLA) as per the RBI guidelines.
- Weighted values have been calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and outflow.
- The disclosures above are based on the information and records maintained and compiled by the management and have been relied upon by the auditors.

### (24) Currency Options

The company does not have any transaction or outstanding balance of currency option for the year ended 31 March 2026 and 31 March 2025. Hence the same is not applicable.

### (25) Instances of fraud

There are no instances of fraud reported during the year ended 31 March 2026.

During the year ended 31 March 2025, the Company has identified 7 instances of fraudulent misrepresentation by customer and the same was duly reported to the RBI. The amount outstanding with respect to the such instances is INR 46.11 lakhs as at 31 March 2026.

The above note with respect to fraud is based on the information available with the Company which has been relied upon by the auditors.

## 48 Maturity analysis of assets and liabilities

The table below shows the maturity analysis of assets and liabilities according to when they are expected to be recovered or settled.

Particulars	As at 31 March 2026			As at 31 March 2025		
	Within 12 months	More than 12 months	Total	Within 12 months	More than 12 months	Total
<b>Assets</b>						
Cash and cash equivalents	81,930.35	-	81,930.35	53,821.85	-	53,821.85
Bank balances other than cash and cash equivalents	44,919.30	3,221.55	48,140.85	38,817.68	3,123.29	41,940.97
Receivables	81.14	-	81.14	38.05	-	38.05
Loans	1,94,554.59	6,98,787.91	8,93,342.50	1,69,217.02	5,49,570.79	7,18,787.81
Investments	12,980.29	3,046.96	16,027.25	14,008.34	3,061.17	17,069.51
Derivative financial instruments	1,249.87	-	1,249.87	-	-	-
Other financial assets	2,914.22	3,758.95	6,673.17	2,679.95	3,078.35	5,758.30
Current tax assets (Net)	-	361.89	361.89	-	251.80	251.80
Deferred tax Assets (Net)	-	8,421.57	8,421.57	-	6,409.50	6,409.50
Property, plant and equipment (including right of use asset)	-	3,591.49	3,591.49	-	4,298.65	4,298.65
Intangible assets under development	-	34.05	34.05	-	163.70	163.70
Other intangible assets	-	578.19	578.19	-	731.36	731.36
Other non-financial assets	2,932.63	-	2,932.63	653.32	1,637.83	2,291.15
<b>Total Assets</b>	<b>3,41,562.39</b>	<b>7,21,802.56</b>	<b>10,63,364.95</b>	<b>2,79,236.21</b>	<b>5,72,326.44</b>	<b>8,51,562.65</b>

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 48 Maturity analysis of assets and liabilities(Contd..)

Particulars	As at 31 March 2026			As at 31 March 2025		
	Within 12 months	More than 12 months	Total	Within 12 months	More than 12 months	Total
<b>Liabilities</b>						
<b>Financial Liabilities</b>						
<b>Trade Payables</b>						
i) total outstanding dues of micro enterprises and small enterprises	218.81	-	218.81	144.16	-	144.16
ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1,185.06	-	1,185.06	474.36	-	474.36
Debt Securities	19,753.47	75,831.81	95,585.28	4,526.33	52,304.60	56,830.92
Borrowings (other than debt securities)	2,21,687.00	4,20,137.42	6,41,824.42	1,84,322.51	3,21,770.77	5,06,093.28
Other financial liabilities (including lease liabilities)	7,061.33	1,259.59	8,320.92	6,275.46	1,349.52	7,624.98
<b>Non-Financial Liabilities</b>						
Provisions	2,614.29	-	2,614.29	1,337.58	-	1,337.58
Other non-financial liabilities	928.33	-	928.33	701.15	38.76	739.91
<b>Total Liabilities</b>	<b>2,53,448.29</b>	<b>4,97,228.82</b>	<b>7,50,677.11</b>	<b>1,97,781.54</b>	<b>3,75,463.65</b>	<b>5,73,245.19</b>

## 48A Changes in liability arising from financing activities

Particulars	01 April 2025	Cash Flows	Exchange difference	New leases	Others*	31 March 2026
Debt Securities	56,830.92	38,625.00	-	-	129.36	95,585.28
Borrowings (other than debt securities)	5,06,093.28	1,34,620.79	1,354.58	-	(244.23)	6,41,824.42
Lease Liability	2,913.70	(2,020.33)	-	1,668.10	-	2,561.47
<b>Total</b>	<b>5,65,837.90</b>	<b>1,71,225.46</b>	<b>1,354.58</b>	<b>1,668.10</b>	<b>(114.87)</b>	<b>7,39,971.17</b>

Particulars	01 April 2024	Cash Flows	Exchange difference	New leases	Others*	31 March 2025
Debt Securities	30,812.15	26,125.00	-	-	(106.24)	56,830.92
Borrowings (other than debt securities)	3,68,768.63	1,37,972.51	-	-	(647.85)	5,06,093.28
Lease Liability	3,040.30	(1,872.34)	-	1,745.74	-	2,913.70
<b>Total</b>	<b>4,02,621.08</b>	<b>1,62,225.15</b>	<b>-</b>	<b>1,745.74</b>	<b>(754.09)</b>	<b>5,65,837.90</b>

\*Other column includes the effect of accrued interest on borrowing and amortisation of processing fees.

All derivatives used for hedging and natural hedges are shown by maturity, based on their contractual undiscounted payment.

## 49 Other Statutory information

- i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

## 49 Other Statutory information (Contd..)

- ii) The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding 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
- (vi) 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"
- (vii) The Company does not have any transaction which is 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.
- (viii) The Company is not declared as wilful defaulter by any bank or financial institution or any other lender
- (ix) Stage wise Overdue (DPD) based Loan disclosure

Particulars	As at 31 March 2026					As at 31 March 2025				
	Count	Stage 1	Stage 2	Stage 3*	Total	Count	Stage 1	Stage 2	Stage 3*	Total
<b>Gross carrying amount</b>										
Accounts with no overdues	2,20,715	8,70,138.61	56.70	117.55	8,70,312.86	1,96,838	6,99,309.89	60.44	33.54	6,99,403.87
Accounts with overdues	12,705	7,019.23	13,574.83	22,522.35	43,116.41	15,784	7,177.52	12,108.75	16,174.15	35,460.42
<b>Total</b>	<b>2,33,420</b>	<b>8,77,157.84</b>	<b>13,631.53</b>	<b>22,639.90</b>	<b>9,13,429.27</b>	<b>2,12,622</b>	<b>7,06,487.41</b>	<b>12,169.19</b>	<b>16,207.69</b>	<b>7,34,864.29</b>

\*6,314 loan accounts in Stage 3 as on 31 March 2026 ( 31 March 2025 - 6,651 loan accounts)

- 50 The Company is maintaining its books of accounts in electronic mode and these books of accounts are accessible at all time and the back-up of books of accounts has been kept in servers physical located in India on a daily basis.

# Notes to financial statements

for the year ended 31 March 2026

(All amounts are in Indian Rupees in lakhs, except as stated otherwise)

**51** The Company has used accounting software (Oracle E-Business Suite) for maintaining its books of account during the year for general ledger accounting. The Company uses various Loan management system. The information regarding the audit trail (edit log) feature in respect of these systems and software(s) are as follows:

- a. Accounting software: Feature of recording audit trail (edit logs) facility was enabled throughout the year for all relevant transaction recorded in the software.
- b. Loan management systems: Feature of recording audit trail (edit logs) facility was enabled and operated throughout the year for all relevant transactions recorded in the systems. The audit trail feature was not enabled for direct changes to data when using certain access rights (i.e at database level) during April 1, 2025 to June 3, 2025. The Company does not have any direct access to the database for making any direct edits during this period. Further there was no instance of audit trail feature being tampered during the year, in respect of systems and software(s) where the audit trail has been enabled.

Additionally, the audit trail of the prior year and current year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective years.

## 52 Events after reporting period

There were no significant adjusting events that occurred subsequent to the reporting period.

for **S.R. Batliboi & Associates LLP**  
Chartered Accountants  
ICAI Firm Registration no.: 101049W/E300004

**per Anand Philip Abraham**  
Partner  
ICAI Membership No. : 232912  
Place : Chennai  
Date : 07 May 2026

for and on behalf of the Board of Directors of  
**Veritas Finance Limited**  
(formerly known as "Veritas Finance Private Limited ")  
CIN: U65923TN2015PLC100328

<b>Raj Vikash Verma</b> Chairman & Independent Director DIN : 03546341 Place : Gurgaon	<b>D Arulmany</b> Managing Director and Chief Executive Officer DIN : 00009981 Place : Chennai
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<b>Naveen Raj R</b> Chief Financial Officer Place : Chennai Date : 07 May 2026	<b>V Aruna</b> Company Secretary and Compliance Officer Membership No. : A60078 Place : Chennai
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# NOTICE

Dear Sir/Madam,

Notice is hereby given that an **Annual General meeting (AGM)** of the members of **Veritas Finance Limited** (Formerly known as Veritas Finance Private Limited) ("Company") is scheduled to be held on **Thursday, 23<sup>rd</sup> day of July 2026 at 10:00 AM** through **Video Conferencing mode (VC) and Other Audio Visual Means (OAVM)**, and for which the registered office of the Company situated at SKCL Central Square 1, South and North Wing, 7<sup>th</sup> Floor, Unit # C28-C35, CIPET Road, Thiru Vi Ka Industrial Estate, Guindy, Chennai – 600032, shall be deemed as the venue for the Meeting and the proceedings of the AGM shall be deemed to be made thereat.

The login details for video conferencing will be sent to the a to their registered e-mail address with the Company, well ahead of the meeting.

The agenda items for the meeting and its explanatory statement are given below in detail. Kindly make it convenient to attend the meeting.

The meeting is scheduled to transact the following businesses:

## ORDINARY BUSINESSES:

### 1) TO CONSIDER, APPROVE AND ADOPT THE AUDITED FINANCIAL STATEMENTS TOGETHER WITH THE REPORTS OF THE BOARD OF DIRECTORS AND ITS ANNEXURES AND THE AUDITORS' THEREON:

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**RESOLVED THAT** pursuant to section 129, 134, 137 and such other applicable provisions of the Companies Act, 2013, read with rules framed thereunder and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, (including any statutory modifications or re-enactments, notified from time to time), the audited financial statements including statement of Profit and Loss Account, Balance Sheet of the Company as on March 31, 2026, along with the notes thereon, schedules thereto, Cash Flow Statements, Board's Report, and the Auditors' Report as on that date be and are hereby considered, approved and adopted.

**RESOLVED FURTHER THAT** Mr. D. Arulmany, Managing Director and CEO, Ms. V. Aruna, Company Secretary & Compliance Officer of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be required to give effect to above resolution including but not limited to submitting copies of the same to statutory/regulatory bodies and such stakeholders as may be required from time to time and to issue signed copy of the financial statements or extracts thereof, wherever required.

**RESOLVED FURTHER THAT** a Certified True Copy of this resolution shall be furnished as required under the signature of the Company Secretary of the Company to anyone concerned or interested in this matter.

### 2) TO CONSIDER AND APPROVE THE APPOINTMENT OF MR. PARIN NALIN MEHTA (HOLDING DIN: 08528090) AS A NOMINEE DIRECTOR, WHO RETIRES BY ROTATION AND BEING ELIGIBLE, OFFERS HIMSELF FOR RE-APPOINTMENT:

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

**RESOLVED THAT** in accordance with the provisions of Section 152, other applicable provisions of the Companies Act, 2013, the provisions of the Articles of Association, and based on the recommendation received from Nomination and Remuneration Committee and Board of Directors, Mr. Parin Nalin Mehta (holding DIN: 08528090), Non-Executive Nominee Director, who retires by rotation, and being eligible for re-appointment, be and is hereby re-appointed as a Non-Executive Nominee Director of the Company.

**RESOLVED FURTHER THAT** Mr. D. Arulmany, Managing Director and CEO, Ms. V. Aruna, Company Secretary & Compliance Officer of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be required to give effect to above resolution including but not limited to submitting copies of the same to statutory/ regulatory bodies and such stakeholders as may be required from time to time wherever required.

**RESOLVED FURTHER THAT** a Certified True Copy of this resolution shall be furnished as required under the signature of the Company Secretary of the Company to anyone concerned or interested in this matter.

## SPECIAL BUSINESSES:

### 3) TO CONSIDER AND ADOPT THE AMENDED ARTICLES OF ASSOCIATION OF THE COMPANY

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

**RESOLVED THAT** pursuant to the provisions of Section 5 and Section 14 and all other applicable provisions of the Companies Act, 2013 read with the rules, regulations, circulars and notifications in relation thereto (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendation made by the Board of Directors at its meeting held on May 07, 2026, the approval of the members be and is hereby accorded to amend and adopt the draft Articles of Association including the entrenchment provisions if any of the Company as contained therein as tabled at this meeting and initialled by the Chairman for the purpose of identification, in replacement and substitution of the existing articles, to incorporate the terms of the

Amendment Agreement to the Amended and Restated Shareholders' Agreement executed on June 16, 2026, executed by and amongst the Company, Mr. Arulmany Duraisamy and , Norwest Venture Partners X - Mauritius, British International Investment PLC, Lok Capital Growth Fund, Growth Catalyst Partners, Evolvence India Fund III Ltd., Caspian Impact Investment Adviser Private Limited, Kedaara Capital Fund II LLP, Multiples Private Equity Fund III, Venus Investments Private Limited and , Avendus Future Leaders Fund II and Mallika Srinivasan.

**RESOLVED FURTHER THAT** henceforth the amended articles of association of the Company as stated above be the articles of association of the Company.

**RESOLVED FURTHER THAT** any Director and Ms. V. Aruna, Company Secretary & Compliance Officer of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be required to give effect to above resolution including but not limited to submitting copies of the same to statutory/ regulatory bodies and such stakeholders as may be required from time to time wherever required.

**RESOLVED FURTHER THAT** a Certified True Copy of this resolution shall be furnished as required under the signature of the Company Secretary of the Company to anyone concerned or interested in this matter.

**4) TO CONSIDER AND APPROVE THE APPOINTMENT OF MR. PRAKASH RAYEN J, AS DIRECTOR AND EXECUTIVE DIRECTOR – BUSINESS AND OPERATIONS (WHOLE TIME DIRECTOR) OF VERITAS FINANCE LIMITED (“THE COMPANY”).**

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

**RESOLVED THAT** the provisions of Sections 196, 197, 198, read with Schedule V and other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and as per relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (including any amendments thereto or re-enactment thereof, for the time being in force) (hereinafter collectively referred to as the “Applicable Laws”) and subject to the approval of the amended Articles of Association of the Company and the approval of the Central Government (as may be required) and based on the recommendation of the Nomination and Remuneration Committee held on April 22, 2026, and Board of Directors meeting held on May 07, 2026, respectively, and subject to such other approvals as may be necessary, the consent of the shareholders be and is hereby accorded for the appointment of Mr. Prakash Rayen J (DIN: 01978353) as Director & Executive Director – Business & Operations (Whole Time Director) of the Company for a period of 5 years commencing from July 23, 2026, and ending on

July 22, 2031, in respect of whom the Company has received a Notice in writing from a Member under section 160 of the Act proposing his candidature for the office of Director of the Company, liable to retire by rotation, on the terms and conditions including remuneration as set out in the explanatory statement annexed to the Notice convening this meeting, with liberty to the Board of Directors (hereinafter referred to as the “Board” which shall be deemed to include the Nomination & remuneration Committee [NRC] of the Board) to alter and vary the terms and conditions of the said re-appointment including remuneration in such manner as may be agreed between the Board of Directors and Mr. Prakash Rayen J.

**RESOLVED FURTHER THAT** Mr. Prakash Rayen is appointed as Director & Executive Director – Business & Operations (Whole Time Director) of the Company by virtue of his holding employment in the Company and upon cessation or termination of Mr. Prakash Rayen's employment with the Company for any reason whatsoever, he shall cease to hold office as Director of the Company with effect from the date of such cessation or termination of employment, and the Company shall take all necessary actions, filings and compliances required under the Companies Act, 2013, including Section 167 and other applicable provisions, to give effect to such cessation.

**RESOLVED FURTHER THAT** the Directors of the Company and Ms. V. Aruna Company Secretary and Compliance Officer, be and are hereby authorized severally to file necessary e-Forms with Registrar of Companies, and to do such works and deeds as may be required to give effect to the above resolution.

**5) TO INCREASE THE BORROWING POWERS OF THE BOARD OF DIRECTORS.**

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

**RESOLVED THAT** in supersession of all earlier resolutions passed in this regard, pursuant to Section 180 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification and or re-enactment thereof) and in terms of Articles of Association of the Company, the consent of the members be and is hereby accorded to increase the borrowing powers of the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee which the Board may constitute for this purpose) of the Company, to borrow for the purpose of business of the Company from time to time at their discretion, any sum or sums of money from any bank or financial institution, firm, mutual funds, insurance companies, non-banking financial institutions, body corporate or other persons, External Commercial Borrowings (ECB) (including External Commercial Borrowings in foreign denominated currencies from any foreign sources/ countries as prescribed by guidelines, if any, in this respect), availing Standby Letter of Credit (SBLC), Non-Convertible debt securities (Debentures), Commercial Paper (CPs) and all types of fund and non-fund based facilities, outstanding at any point of time, from existing

₹ 95,00,00,00,000/- (Rupees Nine Thousand Five Hundred Crores only), as recommended by the Board in its meeting held on May 07, 2026, to the extent of ₹ 1,20,00,00,00,000/- (Rupees Twelve Thousand Crores only), notwithstanding that the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may, at any time, exceed the aggregate of the paid-up capital of the Company and its free reserves and that the Board of Directors (which term shall be deemed to include any Committee thereof) be and is hereby empowered and authorized to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment, security or otherwise as they may, in their absolute discretion, think fit and be authorized to delegate all or any of its powers herein conferred to any Committee and / or director(s) and / or officer(s) of the Company, to give effect to this resolution.

**RESOLVED FURTHER THAT** from the above enhanced limit of ₹ 1,20,00,00,00,000/- (Rupees Twelve Thousand Crores only), Private placement of Non-Convertible Debentures be made to the extent of ₹ 20,00,00,00,000/- (Rupees Two Thousand Crores Only), the limit for borrowings by way of commercial papers is set to the extent of ₹ 1,00,00,00,000/- (Rupees One Hundred Crores only), ₹ 81,00,00,00,000/- (Rupees Eight thousand and One Hundred Crores only) be used for borrowing from such person or persons including, banks, institutions, corporates, etc., including by issue of External Commercial Borrowings (ECB), availing Standby Letter of Credit (SBLC), all types of fund and non-fund-based facilities, the limit of ₹ 18,00,00,00,000/- (Rupees One Thousand Eight Hundred Crores only) be used for borrowing money through Securitization of its loan receivables, and/or to sell / transfer/ directly assign substantial assets including receivables / book debt of the Company, and the limit amounting to ₹ 1,20,00,00,00,000/- (Rupees Twelve Thousand Crores only) be considered at outstanding level, at any point of time, AND THAT the Board, be and is hereby authorized to change the sub limits and also permit interchangeability within the overall limit of ₹ 1,20,00,00,00,000/- (Rupees Twelve Thousand Crores only) or delegate to any Committee and / or director(s) and / or officer(s) of the Company in this regard.

**RESOLVED FURTHER THAT** Mr. D. Arulmany, Managing Director and CEO and Ms. V. Aruna, Company Secretary and Compliance Officer, be and are hereby severally authorized to do all such acts, deeds and things as may be necessary for all matters connected therewith and/or incidental thereto.

**RESOLVED FURTHER THAT** a Certified True Copy of this resolution be furnished as required under the signature of the Company Secretary of the Company.

#### 6) AUTHORIZATION FOR ISSUANCE AND ALLOTMENT OF DEBT SECURITIES.

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

**RESOLVED THAT**, in supersession to the earlier resolutions passed in this regard, pursuant to the provisions of Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and all other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and in accordance with the provisions of the Memorandum and Articles of Association of the Company, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company, for making offer(s) or invitation(s) to subscribe to secured/unsecured/subordinated, rated/unrated, listed/unlisted non-convertible debt securities ("NCDs") on a private placement basis, in one or more tranches/series, for a period of 1 (one) year from the date hereof, on such terms and conditions including the price, coupon, premium / discount, tenor etc., as may be determined by the Board of Directors (including any committee and/or officers authorized by the Board of Directors thereof), based on the prevailing market conditions.

**RESOLVED FURTHER THAT** the aggregate amount to be raised through the issuance of NCDs pursuant to the authority under this Resolution shall not exceed the overall limit of ₹ 20,00,00,00,000/- (Rupees Two Thousand Crores Only) or such other limits as the Board of Directors are authorized to interchange within the overall limit of ₹ 1,20,00,00,00,000/- (Rupees Twelve Thousand Crores only), from time to time.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as "the Board"), be and is hereby authorised to do all such acts, deeds, matters and things and to execute all such agreements, documents, instruments, applications etc. as may be required, with power to settle all questions, difficulties or doubts that may arise in regard to the aforesaid resolution as it may in its sole discretion deem fit and to delegate all or any of its powers herein conferred to any of the Directors and/or Officers of the Company, to give effect to this resolution.

#### 7) TO UNDERTAKE THE TRANSACTION(S) FOR SECURITIZATION/SELLING/TRANSFER/DIRECT ASSIGNMENT OF ITS RECEIVABLES/BOOK DEBTS.

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

**RESOLVED THAT**, in supersession to the earlier resolutions passed in this regard, pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications thereof) and any rules and regulations made thereunder and the Articles of Association of the Company and such other approvals as may be necessary, the consent of the members of the Company be and is hereby accorded by way of a special resolution to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee duly constituted by the Board to exercise its powers conferred by this resolution) of the Company to pledge, mortgage, lien, hypothecate and/or create

charge, whether fixed or floating (in addition to any other hypothecation, pledge, lien, mortgage, charges created/to be created by the Company), in such form and manner and with such ranking and at such time and on such terms as the Board may determine, or transfer, sell and/or dispose of in any manner whatsoever, all or any of the immovable properties and/or movable assets (including in the form of book debts/receivables) (both tangible and intangible) of the Company, both present and future, and the whole or substantially the whole of the undertaking(s) or any properties of the Company where so ever situated, in favour of/to banks, financial institutions, mutual funds, insurance companies, non-banking financial companies, investors, debenture holders, lenders, or any other persons and/or their Agents or Trustees (whether in India or overseas) (together, the "Lender(s)/Investor(s)") to, inter alia, secure any borrowings, loans, external commercial borrowings, debentures, financial assistance or financial indebtedness availed by the Company or any third party from time to time (including without limitation, the due payment of the principal and/or together with interest, at the respective agreed rates, additional interest, compound interest, accumulated interest, liquidated damages, commitment charges, remuneration of the agent(s), trustee(s), prepayment premium, all other costs, charges and expenses and all other amounts payable by the Company), or for any other purposes as the Board may deem fit from time to time, in terms of the relevant documents, entered into or to be entered into between the Company and any Lender(s)/Investor(s) in respect thereof, on such terms and conditions as may be agreed between the Company and any Lender(s)/Investor(s), provided that the maximum value of the assets/properties of the Company (whether movable or immovable) that are encumbered, sold, transferred and/or disposed of pursuant to this resolution does not exceed ₹1,800,00,00,000/- (Rupees One Thousand Eight Hundred Crores only) at any time.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee thereof) be and are hereby severally authorized to negotiate, finalize and execute with the Lender(s) / Debenture Trustees / Financial Institutions such documents / agreements / undertakings / indemnities / guarantees as may be required and to propose / accept any modifications to the terms and conditions thereto and to do all such acts, deeds and things as may be required, with power to settle all questions, difficulties or doubts that may arise in this regard, as it may in its sole and absolute discretion deem fit and to delegate all or any of its powers herein conferred to any Committee and / or director(s) and / or officer(s) of the Company, to give effect to this resolution.

**RESOLVED FURTHER THAT** Mr. D. Arulmany, Managing Director and CEO and Ms. V. Aruna, Company Secretary and Compliance Officer, be and are hereby severally authorized to do all such acts, deeds and things as may be necessary for all matters connected therewith and/or incidental thereto.

**RESOLVED FURTHER THAT** a Certified True Copy of this resolution be furnished as required under the signature of the Managing Director & CEO or the Company Secretary of the Company to anyone concerned or interested in this matter.

**8) TO APPROVE CREATION OF SECURITY COVER / CHARGES ON THE ASSETS OF THE COMPANY AS PER SECTION 180(1)(A) OF COMPANIES ACT, 2013.**

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

**RESOLVED THAT**, in supersession to the earlier resolutions passed in this regard, pursuant to the provisions of section 180(1)(a) and other applicable provisions if any of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification or amendment(s) thereto or reenactment(s) thereof for the time being in force), the relevant rules, regulations/directions as may be prescribed by the Reserve Bank of India, and provisions of Articles of Association of the Company, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (which term shall be deemed to include the Resources and Business Committee and any such Committee which the Board may constitute / authorize for this purpose) to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on all or any of the properties and assets of the Company both present and future and on the whole or substantially the whole of the undertaking or the undertakings of the Company on such terms and conditions, as may be agreed to between the Board and Lender(s), Debenture holders and providers of credit and debt facilities to secure the loans / borrowings / credit / financing / debt facilities obtained or as may be obtained, or Debentures/Bonds and other debt instruments issued or to be issued by the Company to or in favour of the financial institutions, NBFCs, Co-operative Banks, investment institutions and their subsidiaries, its bankers and other banks, mutual funds, trusts and bodies corporate or trustees for the holders of debentures/bonds and/or other instruments, or any other person, which may exceed the paid-up capital and free reserves provided that the total amount of monies borrowed / credit / debt / financing facilities / monies raised by issuance of debentures / bonds / instruments and through all of the aforesaid means shall not at any time exceed a sum of ₹ 12,000 Crores (Indian Rupees Twelve Thousand Crores) outstanding at any point of time on account of principal.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (which term shall be deemed to include the Resources and Business Committee and any such Committee which the Board may constitute/authorize for this purpose) be and is hereby authorized and empowered to arrange, negotiate or settle the terms and conditions on which all such mortgaging / charging / hypothecating / assigning all or any of the immovable and movable properties and assets of the Company, both present and

future, and on the whole or substantially the whole of the undertaking or the undertakings of the Company, from time to time, howsoever as it may think fit and to take all such steps as may be necessary to give effect to this resolution.

**RESOLVED FURTHER THAT** Mr. D. Arulmany, Managing Director and CEO and Ms. V. Aruna, Company Secretary and Compliance Officer, be and are hereby severally authorized to do all such acts, deeds and things as may be necessary for all matters connected therewith and/or incidental thereto.

**RESOLVED FURTHER THAT** a Certified True Copy of this resolution be furnished as required under the signature of the Managing Director & CEO or the Company Secretary of the Company to anyone concerned or interested in this matter.

**9) TO CONSIDER AND APPROVE THE PAYMENT OF ANNUAL COMMISSION TO THE INDEPENDENT DIRECTORS OF THE COMPANY FOR FY 2025-26.**

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

**RESOLVED THAT** pursuant to the provisions of Section 149, 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the relevant provisions of the Memorandum and Articles of Association of the Company and, subject to other approvals as may be required, approval of members of the Company be and is hereby accorded to pay remuneration by way of

commission to the Non-Executive Independent Directors of the Company, excluding the fees payable to them for attending the meeting of the Board or Committees, of such sum as the Board of Directors may from time to time determine, provided that the payment and distribution of such sum by way of commission, in aggregate shall not exceed, one per cent of the net profits of the Company for each financial year as computed in the manner laid down in Section 198 of the Companies Act, 2013, or any statutory modification(s) or re-enactment thereof.

**RESOLVED FURTHER THAT** the Board (which shall include Nomination & Remuneration Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things and to execute any agreements, documents, instruments and writings as may be required, with power to settle all questions, difficulties or doubts that may arise in regard to this resolution as it may in its sole discretion deem fit and to delegate all or any of its powers conferred herein to any Director(s) and/ or Officer(s) of the Company to give effect to this resolution.

**RESOLVED FURTHER THAT** a Certified True Copy of this resolution shall be furnished as required under the signature of the Company Secretary of the Company to anyone concerned or interested in this matter.

By Order of the Board of Directors  
For **Veritas Finance Limited**  
(Formerly known as Veritas Finance Private Limited)

Place: Chennai  
Date: July 01, 2026

**Ms. V. Aruna**  
Company Secretary & Compliance Officer

## NOTES

1. Pursuant to the provisions of the Companies Act, 2013, a member entitled to attend and vote at the Annual general meeting is entitled to appoint a proxy to attend and vote on their behalf and the proxy need not be a member of the company. Since this AGM is being held pursuant to the MCA Circulars dated May 05, 2020, May 05, 2022, December 28, 2022, September 25, 2023, September 19, 2024, and September 22, 2025, through VC/OAVM, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for this AGM and hence the proxy form and attendance slip including route map for AGM are not annexed to this notice.
2. However, a Body Corporate member is entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes. Institutional/corporate members, are required to send a scanned copy (PDF/JPG Format) of their respective Board or governing body Resolution/Authorization etc., authorizing their representative to attend the AGM through VC/OAVM on their behalf and cast their votes.
3. The deemed venue for e-AGM shall be the registered office of the Company i.e. SKCL Central Square 1, South and North Wing, 7<sup>th</sup> Floor, Unit # C28-C35, CIPET Road, Thiru Vi Ka Industrial Estate, Guindy, Chennai – 600032.
4. Notice of AGM along with the copies of Financial Statements for the financial year ended March 31, 2026, including Board's Report and Auditors Report thereon as approved in the Board Meeting held on May 07, 2026, is being sent through e-mail to all members/Beneficiaries electronically, whose names appear on the Register of Members / Record of Depositories, on their registered e-mail id with the Company and no physical copy of the same would be dispatched. Members can request for hard copy of the Annual Report by sending a request at [secretarial@veritasfin.in](mailto:secretarial@veritasfin.in). Notice calling the AGM and Annual Report has also been uploaded on the website of the Company at [www.veritasfin.in](http://www.veritasfin.in) and Stock Exchanges' website where the securities of the Company are listed i.e., BSE Limited: [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Limited: [www.nseindia.com](http://www.nseindia.com).
5. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, is annexed and it forms part of this notice.
6. The Company shall conduct the AGM through VC / OAVM by using Zoom meetings ("Zoom") and the members are requested to follow instructions as stated in this notice for participating in this AGM through Zoom. An invite of the AGM shall be sent to the registered email addresses of the persons entitled to attend the Meeting, for joining the same through Zoom.
7. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act. In case of joint holder(s) attending the meeting through VC / OAVM, only such joint holder who is higher in the order of names will be entitled to vote.
8. Participants i.e. Members, Directors, Key Managerial Personnel and Auditors to whom this notice is being circulated are allowed to submit their queries, questions etc. before the AGM in advance on the e-mail address i.e. [secretarial@veritasfin.in](mailto:secretarial@veritasfin.in). Further, questions may also be posed concurrently during the AGM.
9. **GREEN INITIATIVE: Request to provide/update e-mail address** - Members are requested to support the Green Initiative of the Company. Members who have not registered their e-mail addresses are requested to register their e-mail address with the DP/Company for receiving all communication including annual report, notices, circulars, etc. from the Company electronically.
10. The Register of Directors and Key Managerial Personnel, register of members and other registers maintained under Section 170 of the Companies Act, 2013, and all other documents referred to in the Notice will be open for inspection by the members between 11:00 AM to 04:00 PM on any working day at the registered office of the Company up to and including the date of AGM. Members seeking to inspect such documents can send an email at [secretarial@veritasfin.in](mailto:secretarial@veritasfin.in).

### INSTRUCTION AS TO HOW THE MEMBERS CAN ACCESS AND PARTICIPATE IN THE MEETING THROUGH VC / OAVM:

1. The meeting begins at 10:00 AM on Thursday, July 23, 2026. The members shall be allowed to login to the meeting from 09:30 AM to 10:00 AM. The link shall not be closed till the expiry of 15 minutes after such scheduled time.
2. The meeting shall be conducted through Zoom platform. The Video Conferencing login details including the meeting ID and the password, will be sent to the members to their registered e mail address with the Company, well ahead of the meeting.
3. Upon entering the meeting ID and the password, you will be connected to the virtual meeting room. The members are advised to log on to the Zoom website or log on through the Zoom mobile application 15 minutes before the meeting.
4. Further, members will be allowed to use camera, if required, and hence use internet with a good speed to avoid any disturbance during the meeting.
5. Members are requested to keep their Video ON at the time of voting to enable the Company to ascertain the votes cast on business transacted at the AGM. In case a poll is demanded on any item, members shall convey their vote by sending e-mail to [secretarial@veritasfin.in](mailto:secretarial@veritasfin.in).
6. The result of voting shall be declared in the meeting, and the meeting shall be deemed to be conclusive after the declaration of result.

7. Members who need assistance before or during the AGM or if there are any difficulties/ grievances relating to participation in the meeting shall contact Ms. V. Aruna, Company Secretary & Compliance Officer on 044- 46150029 or at Email Id: [secretarial@veritasfin.in](mailto:secretarial@veritasfin.in).
8. The facility of participation at the AGM through VC / OAVM will be made available to all the Directors, Members, Statutory Auditors, Secretarial Auditors and Debenture Trustees.
9. Please note that participants connecting from mobile devices or tablets or through laptop 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 technical issue.

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013:

### Item No. 3: TO CONSIDER AND ADOPT THE AMENDED ARTICLES OF ASSOCIATION OF THE COMPANY

The members are hereby informed that an Amendment Agreement to the Amended and Restated Shareholders' Agreement ("**Amendment Agreement**") was executed on June 16, 2026, by and amongst the Company, Mr. Arulmany Duraisamy and, Norwest Venture Partners X - Mauritius, British International Investment PLC, Lok Capital Growth Fund, Growth Catalyst Partners, Evolence India Fund III Ltd., Caspian Impact Investment Adviser Private Limited, Kedaara Capital Fund II LLP, Multiples Private Equity Fund III, Venus Investments Private Limited and , Avendus Future Leaders Fund II and Mallika Srinivasan. Accordingly, to give effect to the Amendment Agreement, it is hereby proposed that the articles of association of the Company be amended to the extent required for including the terms of the said Amendment Agreement.

The following are the key amendments to the Articles of Association:

- Provisions enabling the appointment of executive directors and the terms and conditions related thereto; and
- Removal of provisions in the Articles of Association that were incorporated pursuant to the Waiver Cum Amendment Agreement dated January 18, 2025 which has since expired.

The Board of Directors pursuant to its resolution dated May 07, 2026, recommends the resolution for Members approval by way of special resolution.

Copies of the draft altered Articles of Association are available for inspection at the Registered Office of the Company during working days till the date of the Meeting.

Mr. Prakash Rayen J, and his relatives, may be interested in the said resolution, to the extent of their respective shareholding, in the Company. None of the Directors, Key Managerial Personnel, and their relatives are, in any way, concerned or interested, financially or otherwise in the said resolution except to the extent of their shareholding in the Company.

### Item No 4: TO CONSIDER AND APPROVE THE APPOINTMENT OF MR. PRAKASH RAYEN J, AS EXECUTIVE DIRECTOR – BUSINESS AND OPERATIONS (WHOLE TIME DIRECTOR) OF VERITAS FINANCE LIMITED ("THE COMPANY").

Pursuant to the Companies Act, 2013, the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Governance) Directions, 2025, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and subject to the approval of the amended Articles of Association of the Company and other applicable laws, if any, and based on the recommendation of Nomination and Remuneration Committee in the meeting held on April 22, 2026, and the Board of Directors meeting held on May 07, 2026, has recommended the appointment of Mr. Prakash Rayen J (DIN: 01978353) as Director

and Executive Director – Business and Operations (Whole Time Director), liable to retire by rotation, for a tenor of five years effective July 23, 2026, for the approval of the shareholders after consideration of the fit and proper criteria, the skills, expertise and competencies.

**Profile of Mr. Prakash Rayen:** Mr. Prakash Rayen has been associated with Veritas since its inception where he served as Chief Operating Officer and was instrumental in driving process optimization, improving cross-functional coordination, and building scalable operational frameworks to support the Company's growth. Subsequently he took on the role of Executive Director – Chief People Officer where he successfully streamlined the Human Resources function along with IT, Operations, Customer Relations, and Administration, strengthening organizational culture and enhancing employee engagement. Known for his ability to integrate people, processes, and technology, he has consistently driven efficiency and fostered a performance-oriented environment across functions. Since 2025, he has been designated as Executive Director – Operations and has been pivotal in enhancing operational excellence, improving productivity, and reinforcing the Company's focus on quality and customer satisfaction.

Considering the Company's growth plans and increasing operational complexity, the Board has recommended to appoint Mr. Prakash Rayen J, as an executive director of the Board responsible for overseeing all the business verticals of the Company, scale-up IT and AI initiatives, and supervision of day-to-day operations.

**Disclosures and declarations:** The Company has received consent in writing from the proposed Director, to act as director, and intimation in Form DIR 8 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (1) and (2) of section 164 of the Companies Act, 2013, and he satisfies the criteria of 'fit and proper' as prescribed by the Reserve Bank of India. He is not debarred from holding the office of Director by virtue of SEBI Order or any such authority pursuant to BSE Circular No. LIST/COMP/14/2018- 19 and the National Stock Exchange of India Limited Circular No. NSE/CML/2018/24, both dated 20<sup>th</sup> June 2018 ("Stock Exchange Circulars") pertaining to Enforcement of SEBI Orders regarding appointment of Directors by the listed companies. He meets the conditions specified under the Companies Act, 2013, and applicable rules.

The NRC comprising more than two-thirds Independent Directors have evaluated, discussed, and reviewed his candidature. The NRC have recommended his appointment on the Board of the Company. Accordingly, requirement of deposit of one lakh rupees in terms with section 160(1) of the Act, was not applicable for him.

#### Terms and conditions are enumerated below:

1. Tenure of appointment of Mr. Prakash Rayen J, as Director & Executive Director shall be for a period of five years with effect from conclusion of this AGM, subject to him being an employee of the Company.

2. Remuneration: (i) The salary of Mr. Prakash Rayen J shall be as below:
- Monthly CTC including allowances: ₹ 17,18,401/- per month with power to the Board for annual increment as per the recommendations of NRC.
  - Variable pay: Consolidated variable pay of ₹ 57,50,000/- per annum with power to the Board for annual modifications as per the recommendations of NRC.
  - Reimbursement of travelling, hotel and other expenses incurred by him in India and abroad exclusively for the business of the Company in accordance with the rules and regulations of the Company in force from time to time or as may be approved by the Board of Directors.
- Annual Performance Bonus/Incentive, if any, based on the performance criteria as laid down by or approval by Board as recommended by NRC.
  - Contribution to Provident Fund and Superannuation Fund, as per Rules of the Company.
  - Leave encashment shall be as per Rules of Company.
  - In the event of loss or inadequacy of profits in any financial year during the tenure of services of Executive Director, the payment of salary, perquisites and other allowances shall be governed by the limits prescribed under Schedule V of the Companies Act, 2013.
  - ESOPS, if any, shall be approved by the Board as per the recommendations of NRC and subject to applicable laws.
3. No sitting fees shall be paid to the Executive Director for attending the meetings of Board of Directors and/or Committees thereof.
4. His term of office shall be liable to retirement by rotation in accordance with the provisions of Section 152 of the Companies Act, 2013.
5. **Duties and Responsibilities:** Mr. Prakash Rayen J shall, subject to the provisions of the Companies Act, 2013, and overall superintendence and control of the Board of Directors of the Company, shall perform such duties and exercise such powers, as have been or may, from time to time, be entrusted to, or conferred on him, by the Board of Directors of the Company.
6. Mr. Prakash shall hold office as Director by virtue of and for so long as he continues to be in the employment of the Company. Accordingly, upon cessation or termination of his employment for any reason whatsoever, he shall cease to hold office as Director of the Company, subject to the applicable provisions of the Companies Act, 2013 and the Articles of Association of the Company.

Additional details of Mr. Prakash Rayen J are attached to the Notice pursuant to the provisions of Secretarial Standard on

General Meetings ("SS-2") issued by the Institute of Company Secretaries of India.

Mr. Prakash Rayen J, and his relatives, may be interested in the said resolution, to the extent of their respective shareholding, in the Company. None of the Directors, Key Managerial Personnel, and their relatives are, in any way, concerned or interested, financially or otherwise in the said resolution except to the extent of their shareholding in the Company.

In view of the above, the resolution at Item No. 4 of the notice is placed before the members for their approval as a **Special Resolution**.

**Item No 5: TO INCREASE THE BORROWING POWERS OF THE BOARD OF DIRECTORS.**

- In order to meet the growth plans of the Company, based on the recommendations of the Board in its meeting held on March 20, 2026, the borrowing limit was previously approved by the shareholders at the EGM held on April 15, 2026, from ₹ 95,00,00,00,000/- (Rupees Nine Thousand Five Hundred Crores only) to ₹ 1,20,00,00,00,000/- (Rupees Twelve Thousand Crores only). However, to align and rationalize the timeline with the AGM, the matter is being proposed for shareholders' approval once again at the AGM. The same has been recommended by the Board of Directors ("Board") of the Company in its meeting held on May 07, 2026, to the shareholders, pursuant to Section 180(1)(c) of the Companies Act, 2013, as below subject to interchangeability within the overall borrowing powers of ₹ 1,20,00,00,00,000/- (Rupees Twelve Thousand Crores only):

Particulars	Limits of FY 2025-26 (in ₹ Crores)	Existing Limits to be reaffirmed for FY 2026-27 (in ₹ Crores)
Borrowings by way of Commercial Papers	150.00	100.00
Private placement of Non-Convertible Debentures (NCDs)	1,650.00	2,000.00
Securitization of its loan receivables, and/or to sell / transfer / directly assign substantial assets including receivables / book debt of the Company	1,700.00	1,800.00
Borrowings from such person or persons including banks, institutions, corporates, etc., by way of External Commercial Borrowings (ECBs), availing Standby Letter of Credit (SBLC), and all types of fund and non-fund based facilities.	6,000.00	8,100.00
<b>Grand Total (in ₹ Crores)</b>	<b>9,500.00</b>	<b>12,000.00</b>

2. Additionally, it has been proposed to undertake transaction(s) for securitization of its loan receivables, selling, transferring, assignment of the receivables/ book debts (together with any underlying security interest and contractual comfort (if any)) amounting to ₹ 18,00,00,00,000/- (Rupees One Thousand Eight Hundred Crores only) of the Company from time to time. While these transactions fall under 'sale of undertaking' of the Company as per Companies Act, 2013, the same is construed as indirect borrowings and therefore the borrowing limits of the Board is proposed to be increased to accommodate the same.
3. Accordingly, approval of the Members is being sought to increase the quantum of borrowing powers of the Board by passing the resolution set out in item no. 5 of this Notice as a Special Resolution.
4. None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested in this Resolution except to the extent of their shareholding in the Company.

#### **Item No: 6 AUTHORIZATION FOR ISSUANCE AND ALLOTMENT OF DEBT SECURITIES.**

1. Pursuant to Section 42 of the Companies Act, 2013, read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended from time to time, the Company is required to obtain the approval of its members by way of a special resolution, before making any offer or invitation for issuance of Debentures on a private placement basis. The said approval shall be the basis for the Board to determine the terms and conditions of any issuance of Debentures by the Company for a period of 1 (One) year from the date on which the shareholders have provided the approval by way of the special resolution.
2. Based on the recommendations of the Board in its meeting held on March 20, 2026, the authorisation for issuance and allotment of debt securities was previously approved by the shareholders at the EGM held on April 15, 2026. However, to align and rationalize the timeline with the AGM, the matter is being proposed for shareholders' approval once again at the AGM.
3. The disclosures required pursuant to Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 are set out here below:
  - a) **Particulars of the offer including date of passing of board resolution:** This special resolution is being passed in terms of the third proviso to Rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 for the issuance of Debentures, from time to time, for the period of 1 (one) year from the date hereof and accordingly this question is not applicable at present. The particulars of each offer shall be determined by the Board of Directors (including any

committee and/or officers duly authorized by the Board of Directors thereof), from time to time;

- b) **Kinds of securities offered and price at which security is being offered:** This special resolution is restricted to the private placement issuance of non-convertible debentures by the Company which may be secured/unsecured/subordinated, rated/unrated, listed/unlisted with the terms of each issuance being determined by the Board of Directors (including any committee and/or officers duly authorized by the Board of Directors thereof), from time to time, for each issuance;
  - c) **Basis or justification for the price (including premium, if any) at which offer or invitation is being made:** Not applicable;
  - d) **Name and address of valuer who performed valuation:** Not applicable;
  - e) **Amount which the company intends to raise by way of such securities:** As may be determined by the Board of Directors from time to time but subject to the limits approved under Section 42 of the Companies Act, 2013 of up to ₹ 20,00,00,00,000/- (Rupees Two Thousand Crores Only) or such other limits as may be interchanged within the overall limit of ₹ 1,20,00,00,00,000/- (Rupees Twelve Thousand Crores only) as authorized, from time to time;
  - f) **Material terms of raising such securities, proposed time schedule, purposes or objects of offer, contribution being made by the promoters or directors either as part of the offer or separately in furtherance of objects; principle terms of assets charged as securities:** This special resolution is being passed in terms of the third proviso to Rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 for the issuance of Debentures, from time to time, for the period of 1 (one) year from the date hereof and accordingly this question is not applicable at present. The particulars of each offer shall be determined by the Board of Directors (including any committee and/or officers, duly authorized by the Board of Directors thereof), from time to time in discussion with the respective investors. These disclosures will be specifically made in each private placement offer and application letter for each offer / issue.
4. The Directors recommend the resolution for members' approval as a Special Resolution set out at Item no. 6 of this Notice.
  5. None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this Resolution except to the extent of their shareholding in the Company.

**Item No: 7 TO UNDERTAKE THE TRANSACTION(S) FOR SECURITIZATION / SELLING / TRANSFER / DIRECT ASSIGNMENT OF ITS RECEIVABLES/BOOK DEBTS.**

1. To diversify both the funding sources as well as new instruments and to facilitate effective asset liability management and liquidity requirements of the Company, it has been proposed to undertake multiple transactions for securitization of its loan receivables, selling, transferring, assignment of the receivables/book debts (together with any underlying security interest and contractual comfort (if any)) amounting to ₹ 18,00,00,00,000/- (Rupees One Thousand Eight Hundred Crores only) of the Company from time to time on outstanding basis.
2. Based on the recommendations of the Board in its meeting held on March 20, 2026, the said item was previously approved by the shareholders at the EGM held on April 15, 2026. However, to align and rationalize the timeline with the AGM, the matter is being proposed for shareholders' approval once again at the AGM.
3. The sale / assignment / securitisation of the receivables may result into disposal of undertaking as defined in the explanation to Section 180(1)(a) of the Companies Act, 2013. Explanation of "undertaking" for the purpose of Section 180(1)(a) of the Act, shall mean an undertaking in which the investment of the company exceeds twenty percent of its net worth as per the audited balance sheet of the preceding financial year or an undertaking which generates twenty percent of the total income of the company during the previous financial year.
4. As per the provisions of Section 180(1)(a) of the Companies Act, 2013, the Board of Directors of a company shall not sell, assign its receivables / book debts without the consent of the members of the company accorded at the General Meeting by means of a 'special resolution'.
5. In view of the aforesaid, the Board of Directors at its meeting held on May 07, 2026, has subject to the approval of shareholders, approved to sell, assign / securitize receivables as approved by the members pursuant to Section 180(1)(a) of the Act.
6. In this regard, the approval of the members is sought for sale / assignment / securitization of its receivables / book debt on such terms and conditions as may be determined by the Board of Directors (or committee or any other person authorized by the Board of Directors), depending on the prevailing market condition.
7. Accordingly, approval of the shareholders is being sought by passing the resolution set out in item no. 7 of this Notice as a Special Resolution.
8. None of the other Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this Resolution except to the extent of their shareholding in the Company.

**Item No: 8 TO APPROVE CREATION OF SECURITY COVER / CHARGES ON THE ASSETS OF THE COMPANY AS PER SEC 180(1)(A) OF COMPANIES ACT, 2013.**

1. For creation of security through mortgage or pledge or hypothecation or otherwise or through a combination of the same for securing the limits / credit / debt / financing facilities as may be availed by the Company, or funds raised by issuance of debentures / debt instruments, the Company would be required to secure all or any of the movable and immovable assets of the Company, present and future in favour of the Banks/financial institutions registered with Reserve Bank of India, investment institutions and their subsidiaries, its bankers and other banks, mutual funds, trusts and bodies corporate or trustees for the holders of debentures/bonds and/or other instruments, or any other person.
2. Section 180(1)(a) of the Companies Act, 2013, provides that the Board of Directors of a Company shall not, without the consent of members in a general meeting, sell, lease or otherwise dispose off the whole or substantially the whole of the undertaking of the Company. Hence, it is necessary for the members to pass a resolution under section 180(1)(a) of the Companies Act, 2013 authorizing the Board of Directors (which term shall be deemed to include the Resources and Business Committee and any such Committee which the Board may constitute/authorize for this purpose) to mortgage/ charge/ hypothecate / assign the assets, properties and/ or the whole or substantially the whole of the undertaking of the Company.
3. The said item was previously approved by the shareholders at the EGM held on April 15, 2026. However, to align and rationalize the timeline with the AGM, the matter is being proposed for shareholders' approval once again at the AGM.
4. Accordingly, the Board of Directors at its meeting held on May 07, 2026, recommended the adoption of the resolution as set out in item no. 8 of the notice as Special Resolution.
5. None of the Directors, Key Managerial Persons of the Company and their relatives are concerned or interested financially or otherwise in the above resolution except to the extent of their shareholding in the Company.

**Item No. 9: TO CONSIDER AND APPROVE THE PAYMENT OF ANNUAL COMMISSION TO THE INDEPENDENT DIRECTORS OF THE COMPANY FOR FY 2025-26:**

1. As on March 31, 2026, the Board of Directors of the Company consisted of five Independent Directors. The Independent Directors bring relevant knowledge and expertise and provide required diversity in Board's decision-making process. Pursuant to Section 149(9), an independent director is entitled to receive (a) sitting fee for Board/ Committee meetings as may be prescribed under second proviso in Section 197(5); (b) reimbursement of expenses for attending the Board/Committee meetings, if any; (c) profit related commission as may be approved by the members.

2. Considering the aforementioned provisions, the Company has proposed to pay commission to the Independent Directors with the approval of the members. Based on the recommendation of Nomination and Remuneration Committee in its meeting held on April 22, 2026, the Board, in its meeting held on May 07, 2026, subject to the approval of the members, has approved to pay the following commission to the non-executive Independent Directors of the Company within the permissible limits under the Companies Act, 2013 and subject to such commission in aggregate does not exceed one per cent of the net profits of the Company for FY 2025-26:
- Mr. Raj Vikash Verma, non-executive Chairman and Independent Director: ₹ 35,00,000 per annum
  - Mr. Suresh Subramanian, non-executive Independent Director: ₹ 25,00,000 per annum
  - Mr. Mathew Joseph, non-executive Independent Director: ₹ 25,00,000 per annum
  - Mr. Sankarson Banerjee, non-executive Independent Director: ₹ 25,00,000 per annum
- Ms. Susan Thomas, non-executive Independent Director: ₹ 25,00,000 per annum
3. The aforesaid remuneration is exclusive of the fees payable to the Independent Directors for attending the meetings of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board of Directors and reimbursement of expenses for participation in the Board and other meetings.
4. A brief profile of such Independent Directors is provided in the "Annexure - 3" to the Notice pursuant to the provisions of Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India.
5. In view of the above, the resolution at Item No. 9 of the notice is placed before the members for their approval as a **Special Resolution**.
6. Other than the Independent Directors of the Company to the extent of the commission that they may receive, none of the Directors and/or Key Managerial Personnel of the Company and/or their respective relatives is concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 9 of the Notice.

## Annexure - 1

### Additional information about Directors pursuant to SS - 2 on General Meetings

**Item No. 2: TO CONSIDER AND APPROVE THE APPOINTMENT OF MR. PARIN NALIN MEHTA (HOLDING DIN: 08528090) AS A NOMINEE DIRECTOR, WHO RETIRES BY ROTATION AND BEING ELIGIBLE, OFFERS HIMSELF FOR RE-APPOINTMENT**

#### Details of Mr. Parin Nalin Mehta

<b>Name of Director</b>	Mr. Parin Nalin Mehta
<b>Designation</b>	Non- Executive Nominee Director
<b>DIN</b>	08528090
<b>Date of Birth / (Age)</b>	January 21, 1976
<b>Qualifications</b>	50 years PGDBM in Finance; Bachelor of Engineering from Mumbai University
<b>Brief resume and Experience</b>	Parin Nalin Mehta is a Non-Executive Director of our Company. He holds a bachelor's degree in electronics and telecommunication engineering from Vivekanand Education Society's Institute of Technology, University of Mumbai, Mumbai, Maharashtra and a post graduate diploma in business management (finance) from Sydenham Institute of Management Studies and Research and Entrepreneurship Education, Mumbai, Maharashtra. He has over 21 years of experience in private equity. Prior to joining our Company, he was associated with General Atlantic Partners Private Limited as Analyst with their investment advisory team. He was also associated with McKinsey Knowledge Centre (I) Private Limited and Cap Gemini Ernest & Young Consulting India Private Limited. He is currently serving on the board of Ajax Engineering Private Limited and Great Software Laboratory Private Limited.
<b>Expertise in specific Functional areas</b>	Financial Services Industry
<b>Terms and conditions of appointment</b>	Mr. Parin Nalin Mehta was appointed as the Nominee Director (Kedara Capital Fund II LLP) of the Company with effect from February 04, 2022.
<b>Remuneration sought to be paid</b>	Nil
<b>Date of first appointment on the Board</b>	February 04, 2022
<b>Shareholding in the Company as on date</b>	Nil
<b>Relationship with other Directors, Manager and KMP of the Company</b>	None.
<b>Number of Board Meetings attended during FY 2025-26</b>	4
<b>Other Directorships, Membership/ Chairmanship of Committees of other Boards</b>	Nil
<b>In the case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements</b>	Not Applicable

## Annexure - 2

### Additional information about Directors pursuant to SS - 2 on General Meetings

#### Details of Mr. Prakash Rayen J

<b>Name of Director</b>	Mr. Prakash Rayen J
<b>Designation</b>	Executive Director – Business and Operations (Whole time Director)
<b>DIN</b>	01978353
<b>Date of Birth / (Age)</b>	December 30, 1970
<b>Qualifications</b>	55 years Bsc., MCA
<b>Brief resume and Experience</b>	Prior to Veritas Finance, he was at Aptus Value Housing, where he had been responsible for setting up the entire IT platform of the organization from scratch, identifying and putting in place the right solutions for the lending product and managing the technological challenges coinciding with the growth of the organization and leading the many IT innovations.
<b>Expertise in specific Functional areas</b>	Financial Services Industry
<b>Terms and conditions of appointment</b>	Tenure of five (5) years commencing from the date of shareholders' approval i.e., July 23, 2026, and ending on July 22, 2031
<b>Remuneration sought to be paid</b>	<ol style="list-style-type: none"> <li>Monthly CTC including allowances: ₹ 17,18,401/- per month with power to the Board for annual increment as per the recommendations of NRC.</li> <li>Variable pay: Consolidated variable pay of ₹ 57,50,000/- per annum with power to the Board for annual modifications as per the recommendations of NRC.</li> <li>Reimbursement of travelling, hotel and other expenses incurred by him in India and abroad exclusively for the business of the Company in accordance with the rules and regulations of the Company in force from time to time or as may be approved by the Board of Directors.</li> </ol>
<b>Date of first appointment on the Board</b>	NA as appointment is recommended to the shareholders for approval
<b>Shareholding in the Company as on date</b>	1.43%
<b>Relationship with other Directors, Manager and KMP of the Company</b>	None.
<b>Number of Board Meetings attended during FY 2025-26</b>	NA
<b>Other Directorships, Membership/ Chairmanship of Committees of other Boards</b>	Nil
<b>In the case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements</b>	NA

## Annexure – 3

### Details of Mr. Raj Vikash Verma

<b>Name of Director</b>	Mr. Raj Vikash Verma
<b>Designation</b>	Chairman and Non-Executive Independent Director
<b>DIN</b>	03546341
<b>Date of Birth / (Age)</b>	January 17, 1955
<b>Qualifications</b>	71 years Bachelor's degree in Economic (Honours) from Hindu College, University of Delhi, Delhi and master's degree in economics from The Delhi School of Economics, University of Delhi, Delhi. He also holds a Master of Business Administration from the University of Delhi, Delhi.
<b>Brief resume and Experience</b>	Mr. Raj Vikash Verma is the Chairman and Non-Executive Independent Director of the Company. He is a member of the Indian Institute of Banking & Finance. He has over 35 years of experience in banking. Prior to joining our Company, he served as the whole-time member and the officiating chairperson of the Pension Fund Regulatory and Development Authority and as the chairman and managing director of the National Housing Bank. He was also associated with Central Registry of Securitization Asset Reconstruction and Security Interest of India as Registrar, Managing Director and CEO.
<b>Expertise in specific Functional areas</b>	Banking and Finance Industry
<b>Terms and conditions of appointment</b>	Mr. Raj Vikash Verma was appointed as the Chairman and Non-Executive Independent Director of the Company with effect from July 16, 2024.
<b>Remuneration sought to be paid</b>	As set out in the explanatory statement, excluding sitting fees of ₹ 6,60,000/- already paid for FY 2025-26
<b>Date of first appointment on the Board</b>	Date of first appointment as Additional Director – July 16, 2024 Date of regularisation – September 30, 2024
<b>Shareholding in the Company as on date</b>	Nil
<b>Relationship with other Directors, Manager and KMP of the Company</b>	None.
<b>Number of Board Meetings attended during FY 2025-26</b>	6
<b>Other Directorships, Membership/ Chairmanship of Committees of other Boards</b>	<ol style="list-style-type: none"> <li>1. RMBS Development Company Limited -Independent Director</li> <li>2. SBI Pension Funds Private Limited - Nominee Director</li> <li>3. Encore Asset Reconstruction Company Private Limited – Independent Director</li> <li>4. Aadhar Housing Finance Limited - Independent Director</li> </ol>
<b>In the case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements</b>	Financial Services; Management and Governance; Consumer behaviour, sales, marketing and customer experience; Understanding of accounting and financial statements; Risk, Assurance and Internal Controls; Regulatory, Public policy and economics; Business Transformation and Strategy; Experience in dealing with the Government and Regulators and external stakeholders.

**Details of Mr. Suresh Subramanian\***

<b>Name of Director</b>	Mr. Suresh Subramanian*
<b>Designation</b>	Non-Executive Independent Director
<b>DIN</b>	02070440
<b>Date of Birth / (Age)</b>	August 20, 1960
<b>Qualifications</b>	66 years Bachelor's degree in commerce (Honours Course) from University of Delhi, Delhi, fellow member of the Institute of Chartered Accountants of India.
<b>Brief resume and Experience</b>	Mr. Suresh Subramanian is a Non-Executive Independent Director of the Company. He has experience in auditing and accounting. He was previously associated with S. R. Batliboi & Associates LLP as a partner with their assurance practice.
<b>Expertise in specific Functional areas</b>	Auditing and Accounting
<b>Terms and conditions of appointment</b>	Mr. Suresh Subramanian was appointed as the Non-Executive Independent Director of the Company with effect from November 24, 2023.
<b>Remuneration sought to be paid</b>	As set out in the explanatory statement, excluding sitting fees of ₹ 10,10,000/- already paid for FY 2025-26
<b>Date of first appointment on the Board</b>	Date of first appointment as Additional Director – November 24, 2023 Date of regularisation – December 23, 2023
<b>Shareholding in the Company as on date</b>	Nil
<b>Relationship with other Directors, Manager and KMP of the Company</b>	None.
<b>Number of Board Meetings attended during FY 2025-26</b>	6
<b>Other Directorships, Membership/ Chairmanship of Committees of other Boards</b>	1. Delphi-TVS Technologies Limited – Independent Director 2. Manikaram Seva Foundation - Director 3. Saksoft Limited – Independent Director 4. Sundaram Trustee Company Limited –Director 5. Coromandel International Limited – Independent Director 6. NAACL Industries Limited – Independent Director 7. Dhaksha Unmanned Systems Private Limited – Independent Director
<b>In the case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements</b>	Financial Services; Management and Governance; Technology and Digital Innovation; Understanding of accounting and financial statements; Risk, Assurance and Internal Controls; Regulatory, Public policy and economics; Business Transformation and Strategy.

\*Mr. Suresh Subramanian (DIN: 02070440), Independent Director, resigned from the Board effective close of business hours of March 31, 2026, due to personal reasons.

### Details of Mr. Mathew Joseph

<b>Name of Director</b>	Mr. Mathew Joseph
<b>Designation</b>	Non-Executive Independent Director
<b>DIN</b>	01033802
<b>Date of Birth / (Age)</b>	May 6, 1961
<b>Qualifications</b>	65 years Member of the Institute of Chartered Accountants of India
<b>Brief resume and Experience</b>	Mr. Mathew Joseph is a Non-Executive Independent Director of the Company. He has over 37 years of experience in the financial industry. Previously, he was associated with HDFC Bank Limited as a member of Executive Management and Chief Risk Office.
<b>Expertise in specific Functional areas</b>	Financial Industry
<b>Terms and conditions of appointment</b>	Mr. Mathew Joseph was appointed as the Non-Executive Independent Director of the Company with effect from November 24, 2023.
<b>Remuneration sought to be paid</b>	As set out in the explanatory statement, excluding sitting fees of ₹ 11,60,000/- already paid for FY 2025-26
<b>Date of first appointment on the Board</b>	Date of first appointment as Additional Director – November 24, 2023 Date of regularisation – December 23, 2023
<b>Shareholding in the Company as on date</b>	Nil
<b>Relationship with other Directors, Manager and KMP of the Company</b>	None.
<b>Number of Board Meetings attended during FY 2025-26</b>	6
<b>Other Directorships, Membership/ Chairmanship of Committees of other Boards</b>	<ol style="list-style-type: none"> <li>1. Tamilnadu Urban Infrastructure Financial Services Limited - Nominee Director</li> <li>2. Tamilnadu Urban Infrastructure Trustee Company Limited - Nominee Director</li> <li>3. IIFL Home Finance Limited - Independent Director</li> <li>4. Tamilnadu Infrastructure Fund Management Corporation Limited - Independent Director</li> <li>5. Svatantra Microfin Limited – Independent Director</li> </ol>
<b>In the case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements</b>	Financial Services; Management and Governance; Consumer behaviour, sales, marketing and customer experience; Understanding of accounting and financial statements; Risk, Assurance and Internal Controls; Regulatory, Public policy and economics; Human Resource; Business Transformation and Strategy.

### Details of Ms. Susan Thomas

<b>Name of Director</b>	Ms. Susan Thomas
<b>Designation</b>	Non-Executive Independent Director
<b>DIN</b>	09760548
<b>Date of Birth / (Age)</b>	April 26, 1967 59 years
<b>Qualifications</b>	Bachelor's degree in arts from the Women's Christian College, University of Madras, Chennai, a master's degree in arts from University of Madras, Chennai and Doctor of Philosophy from Indian Institute of Technology, Madras, Chennai.
<b>Brief resume and Experience</b>	Ms. Susan Thomas is a Non-Executive Independent Director of the Company. She has over 19 years of experience in Human Resources. Previously, she was associated with Loyola Institute of Business Administration as Associate Professor (Human Resource), with Murugappa group as the Head – Group Human Resource Department and with Sundram Fasteners Limited as Executive Vice President – Human Resource.
<b>Expertise in specific Functional areas</b>	Human Resources
<b>Terms and conditions of appointment</b>	Ms. Susan Thomas was appointed as the Non-Executive Independent Director of the Company with effect from July 16, 2024.
<b>Remuneration sought to be paid</b>	As set out in the explanatory statement, excluding sitting fees of ₹ 7,60,000/- already paid for FY 2025-26
<b>Date of first appointment on the Board</b>	Date of first appointment as Additional Director – July 16, 2024 Date of regularisation – September 30, 2024
<b>Shareholding in the Company as on date</b>	Nil
<b>Relationship with other Directors, Manager and KMP of the Company</b>	None.
<b>Number of Board Meetings attended during FY 2025-26</b>	6
<b>Other Directorships, Membership/ Chairmanship of Committees of other Boards</b>	Joy Foam Private Limited - Director

**In the case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements**

Human Resource; Financial Services Management and Governance; Consumer behaviour, sales, marketing and customer experience; Business Transformation and Strategy; Special knowledge and practical experience in CSR and the NGO sector.

**Details of Mr. Sankarson Banerjee**

<b>Name of Director</b>	Mr. Sankarson Banerjee
<b>Designation</b>	Non-Executive Independent Director
<b>DIN</b>	07407346
<b>Date of Birth / (Age)</b>	February 6, 1970 56 years
<b>Qualifications</b>	Bachelor's degree in engineering from Indian Institute of Kharagpur, West Bengal and a post-graduate diploma in management from Indian Institute of Management, Calcutta, West Bengal.
<b>Brief resume and Experience</b>	Mr. Sankarson Banerjee is a Non-Executive Independent Director of the Company. He has over 21 years of experience in IT sector. Previously, he was associated with RBL Bank in the capacity of Chief Information Officer, with National Stock Exchange of India Limited in the capacity of Chief Technology Officer - Projects and with India Infoline Limited as chief information officer. He was also associated with Mphasis, Accenture, IBM and Pantaloon Retail (India) Limited.
<b>Expertise in specific Functional areas</b>	IT Sector
<b>Terms and conditions of appointment</b>	Mr. Sankarson Banerjee was appointed as the Non-Executive Independent Director of the Company with effect from March 27, 2024.
<b>Remuneration sought to be paid</b>	As set out in the explanatory statement, excluding sitting fees of ₹ 11,10,000/- already paid for FY 2025-26
<b>Date of first appointment on the Board</b>	Date of first appointment as Additional Director – March 27, 2024 Date of regularisation – April 20, 2024
<b>Shareholding in the Company as on date</b>	Nil
<b>Relationship with other Directors, Manager and KMP of the Company</b>	None.
<b>Number of Board Meetings attended during FY 2025-26</b>	6

# GLOSSARY

Terms	
Loan Disbursements	Loan Disbursements are net of cancellations
Loan book	Loan book represents Gross loan book after adjustment of unamortised processing fee and before adjustment of impairment loss allowance
Borrowings	Borrowings consists of Debt securities, Term Loans & Cash Credit availed after adjustment of unamortised processing fee
Net Interest Income	Interest income on Loans less Finance Cost (Excluding Interest expense on lease liabilities)
Key Ratios	
Gross NPA (%)	Stage 3 Loan Book / Total Loan Book (Gross NPA as per RBI's new IRACP norms as per 12 <sup>th</sup> November 2021 circular is taken as Stage 3 Loan Book)
Net NPA (%)	(Stage 3 Loan Book minus Stage 3 ECL Provision) / (Total Loan Book minus Stage 3 ECL Provision)
Capital Adequacy Ratio (%)	Tier I & Tier II Capital / Risk Weighted Assets
Return on Total Assets (%)	Profit After Tax (PAT) /Average of Closing total assets
Return on Equity (%)	Profit After Tax (PAT) /Average of Closing Networkth
Basic Earnings Per Share (INR)	Profit After Tax (PAT) / Weighted Average number of shares (Basic)
Diluted Earnings Per Share (INR)	Profit After Tax (PAT) / Weighted Average number of shares (Diluted)
Net Interest Margin (NIM)	(Interest Income on Loans-Finance Cost (excluding interest expense on lease liabilities))/ Average of Closing Loan book
Debt - Equity Ratio	Borrowings / Net Worth
Tooth to tail Ratio	Sales employees/ Total employees
Installment to Income (IIR) Ratio	Monthly loan installment amount / Monthly Income amount
Loan to Value (LTV) Ratio	Loan amount / Value of the asset or collateral being borrowed against
Growth Ratios (in %)	
Loan book growth	(Closing Loan book of this Financial Year minus Closing Loan book of last Financial Year) / Closing Loan book of last Financial Year
Loan Disbursements Growth	(Total Disbursements in this Financial Year minus Total Disbursements in last Financial Year) / Total Disbursements in last Financial Year







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## Registered Office

SKCL Central Square 1,  
South and North Wing, 7<sup>th</sup> Floor  
Unit #C28 - C35, CIPET Road,  
Thiru Vi Ka Industrial Estate,  
Guindy, Chennai- 600 032  
CIN: U65923TN2015PLC100328  
RBI Regn No.: N-07.00810